

627
VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

SUPPLEMENTAL ORDER REGARDING

DOCKET NO. VGOB-02/05/21-1030

ELECTIONS, UNIT: VC-504659

(hereinafter "Subject Drilling Unit")

REPORT OF BOARD

FINDINGS AND ORDER

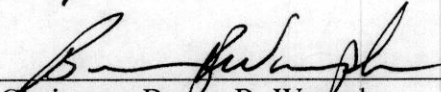
1. This Supplemental Order is entered by the Board sua sponte in the form authorized by the Board at its hearing held at 9:00 a.m. on October 20, 1992, Board of Supervisors Room, Courthouse, Grundy, Virginia, and pursuant to authority granted to the Board's Chairman at the hearing of the Virginia Gas and Oil Board on June 16, 1992, at 9:00 a.m. at the Rhododendron Restaurant at the Breaks Interstate Park, Breaks, Virginia; and this Supplemental Order is being recorded for the purpose of (1) complying with the requirement of the Virginia Gas and Oil Board Regulations, 4 VAC 25-160.70C by supplementing the Order previously issued by the Board for subject Docket on June 14, 2002, and recorded at Deed Book 376, Page 550 in the Office of the Clerk of Circuit Court, Dickenson County, Virginia on June 24, 2002 (herein "Board Order") to complete the record regarding elections. The Board Order pooled all interest in Subject Drilling Unit including those of the Respondents more particularly set forth and identified by the Designated Operator in the affidavits attached hereto and made a part hereof. The Board finds it has jurisdiction over the subject matter pursuant to the provisions of the Virginia Gas and Oil Act, § 45.1-361.1 et seq., Virginia Code, 1950 as amended.
2. Findings: The Board finds that:
 - (a) The Board Order directed Equitable Production Company, (herein the Designated Operator"), to mail copies of the Board Order to all respondents whose interest, if any, were pooled by said Board Order;
 - (b) The designated operator filed its affidavit of mailing dated July 1, 2002, disclosing that it had mailed a correct copy of the Board's Order to all Respondents whose interest, if any, were pooled by said Board Order;
 - (c) The Board Order required each Respondent whose interest, if any, were pooled by the terms of said Board Order to make his or her election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the Designated Operator has filed its affidavit dated July 31, 2002, in accordance with § 7.C of the Virginia Gas and Oil Board Regulations and 4 VAC 25-160.70C (herein "Affidavit of Election"), wherein it has, for each Respondent whose interest, if any, were pooled by said Board Order, stated: (i) whether

ENTERED

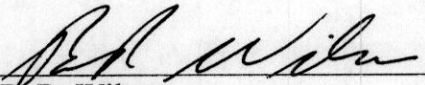
each Respondent has made or failed to make a timely election; (ii) the nature of the election made, if any; (iii) whether, by reason of a failure to elect or to timely elect one or more Respondents are deemed, under the terms of the Board's Order, to have leased all their rights, title, interest, estates and claims in Subject Drilling Unit to the Designated Operator;

- (d) The Board Order further required the Designated Operator, after expiration of the election period, to file with the Board a statement of the interests subject to escrow under the terms and provisions of the Board Order, in light of the elections made or deemed to have been made (herein "Statement of Interests"); that the Designated Operator furnished said Statement of Interests as part of its Affidavit of Election. A copy of which is attached hereto as Exhibit B;
 - (e) Current Board standards requiring the escrow of funds and the Board's agreement with its Escrow Agent, First Union National Bank, Corporate Trust, PA 1328, 123 Broad Street, Philadelphia, PA 19109-1199, (888) 396-0853, Attn: Don Ballinghoff, or any successor named by the Board, require the entry of a Supplemental Order establishing of record the elections made or deemed to have been made and specifying the sums or percentage thereof subject to escrow. Current Board escrow standards were made applicable to Subject Drilling Unit by a Board Order dated December 23, 1992.
3. Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2 above and the annexed Affidavits, any funds subject to escrow and instructs the Escrow Agent, First Union National Bank, Corporate Trust, PA 1328, 123 Broad Street, Philadelphia, PA 19109-1199, (888) 396-0853, Attn: Don Ballinghoff, or any successor named by the Board to establish interest-bearing escrow account(s), IRS Tax Identification Number 54-1629506, in accordance with the information set forth in said affidavits to receive such funds and account to the Board therefore.
 4. Mailing of Order and Filing of Affidavit: The Designated Operator under the captioned Order or its Attorney shall file an affidavit with the Secretary of the Board within ten (10) days after the date of receipt of this Order stating that true and correct copy of this Order to each person whose interest or claim is subject to escrow and whose address is known.
 5. Conclusion: Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.
 6. Effective Date: This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 6th day of September, 2002 by a majority of the Virginia Gas and Oil Board.

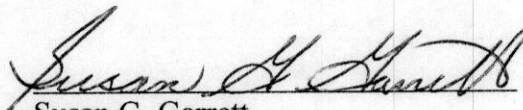

Chairman, Benny R. Wampler

DONE AND PERFORMED THIS 20th day of September, 2002 by Order of this Board.


B. R. Wilson
Principal Executive to the Staff
Virginia Gas and Oil Board

STATE OF VIRGINIA)
COUNTY OF WISE)

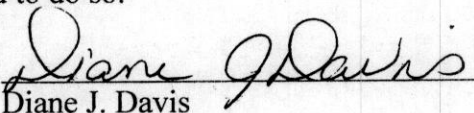
Acknowledged on this 6th day of September, 2002, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny R. Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.


Susan G. Garrett
Notary Public

My commission expires: 7/31/06

STATE OF VIRGINIA)
COUNTY OF WISE)

Acknowledged on this 20th day of September, 2002, personally before me a notary public in and for the Commonwealth of Virginia, appeared B. R. Wilson, being duly sworn did depose and say that he is Principal Executive to the Staff Virginia Gas and Oil Board, that he executed the same and was authorized to do so.


Diane J. Davis
Notary Public

My commission expires: 9/30/05

Order Recorded Under Code of
Virginia Section 45.1-361.23

VIRGINIA:***BEFORE THE VIRGINIA GAS AND OIL BOARD***

IN RE: Application of Equitable Production Company, for Forced Pooling of Interests in Unit Number VC-504659, VGOB Docket No. VGOB-02/05/21-1030 in the Kenady Magisterial District of Dickenson County, Virginia.

AFFIDAVIT OF WILHOIT & KAISER, Attorneys-at-Law, Agents for the Designated Operator REGARDING ELECTIONS, ESCROW ACCOUNTS AND SUPPLEMENTAL ORDER

James E. Kaiser (herein Affiant), being first duly sworn on oath, deposes and says:

1. That the Affiant is an attorney in the law firm of WILHOIT & KAISER, the Agent for the Designated Operator, with offices located at 220 Broad Street, Kingsport, Tennessee 37660, and is authorized to give this Affidavit in its behalf;
2. That the Order entered on June 14, 2002, by the Virginia Gas and Oil Board regarding the captioned Conventional Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by said Order;
3. That within seven (7) days of the receipt of an executed copy of the Order referred to at Paragraph 2. above, the Affiant was directed to cause a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent named in the captioned Application, whose address was known, and to all persons, if any, who are added as Respondents at the hearing held in the captioned matter;
4. That the Order of the Virginia Gas and Oil Board in the captioned matter required all persons pooled thereby to tender their written elections to the Unit Operator within thirty (30) days of the date said Order was recorded in the county above named; that said Order was recorded on June 24, 2002.
5. That the Designated Operator, by and through their agent, Wilhoit & Kaiser, Attorneys-at-Law, have established procedures to review all mail received and all written documents received by means other than by mail to ascertain whether parties whose interest have been pooled have made a written election, in a timely fashion, as required by the captioned Order; that said procedures were followed to identify the elections, if any, made with regard to Subject Unit; that the following persons delivered, by mail or otherwise, written elections to the Unit Operator, within the thirty day election periods:

Donald Martin and
Betty Martin, H/W

Cash Consideration

\$1.00

6. That the interest and/or claims of the following persons (who made timely elections, or who are deemed under the terms of the Board's Order to have leased, or who, subsequent to the pooling hearing held in the captioned matter, have leased or otherwise entered into an agreement with the Designated Operator) are subject to escrow under the Board's Order pooling the captioned Unit, Board Regulations and the Code of Virginia due to conflicting claims as between the gas owner and the coal owner.

TRACT	LESSOR	NET REVENUE INTEREST
2-7 Gas or 2-7 Coal	Pittston Company	0.03598750
	Lambert Land LLC	0.03598750
9 Gas or 9 Coal	N. K. Rasnik Heirs (collectively)	0.00002500
	Lambert Land LLC	0.00002500
10 Gas or 10 Coal	Charles W. Grizzle, et al	0.01465000
	Lambert Land LLC	0.01465000

7. That after the pooling hearing held in the captioned matter, the following persons have leased or entered into a voluntary agreement with the Designated Operator with regard to their interest and/or claims which are not subject to escrow:

NONE

8. That the following persons have not made a timely election and have failed to enter into an agreement with the Designated Operator and their respective interests shall be deemed to have leased pursuant to and in accordance with paragraph 10 of the Order.

TRACT	LESSOR	CASH CONSIDERATION
9	Helen Bailey & Carl Bailey, W/H Address Unknown	\$1.00 Escrow at Bank
	June Humphrey, Widow Address Unknown	\$1.00 Escrow at Bank

Vivian Rasnick & Dennis Rasnick, W/H Address Unknown	\$1.00 Escrow at Bank
Lester Martin Heirs Address Unknown	\$1.00 Escrow at Bank
Darrell Martin Heirs Address Unknown	\$1.00 Escrow at Bank
Sid Rasnick, Widow Address Unknown	\$1.00 Escrow at Bank
Ralph Martin Heirs Address Unknown	\$1.00 Escrow at Bank
Billie Martin Smith, Widow Address Unknown	\$1.00 Escrow at Bank
Janet Benton & Eddie Benton, W/H Address Unknown	\$1.00 Escrow at Bank
Mike Smith & Brenda Smith, H/W Address Unknown	\$1.00 Escrow at Bank
Jeannie Hubbard & Jackie Hubbard, W/H Address Unknown	\$1.00 Escrow at Bank
Harold Rasnick Heirs Address Unknown	\$1.00 Escrow at Bank
Bazil Rasnick & Mae Rasnick, H/W Route 1 Box 740 Dante, VA 24237	\$1.00
Floyd Jesse Sutherland & Noelle Sutherland, H/W P O Box 2434 Abingdon, VA 24210	\$1.00
William Reed Sutherland & Ann Dale Sutherland, H/W P O Box 245 Surry, VA 23883	\$1.00
Stewart Sutherland & Jennie Sutherland, H/W Route 1 Box 405 Wytheville, VA 24382	\$1.00

Hagen Cox, Widower 2700 Blithe Drive Chester, VA 23831	\$1.00
Mary Ann Roach & Jeff Roach, W/H 2217 Hunter's Glen Wichita Falls, TX 76306	\$1.00
Lee Ann Murray & Woodie Murray, W/H 4416 Walkers Landing Drive Petersburgh, VA 23803	\$1.00
Gaines Reed Cox 507 Brookhaven Court Jefferson City, TN 37760	\$1.00
Berry Cox, Single 2217 Hunter's Glen Wichita Falls, TX 76306	\$1.00
R. W. Rasnick Heirs Address Unknown	\$1.00 Escrow at Bank
Tilden Rasnick Heirs Address Unknown	\$1.00 Escrow at Bank
Charles W. Grizzle et al Address Unknown	\$1.00 Escrow at Bank

That pursuant to the provision of 4VAC 25-160.70C annexed hereto and incorporated herein is a proposed supplemental order to be entered to complete the record regarding elections; that said annexed supplemental order sets forth that the services of the Escrow Agent are required in this matter pursuant to the terms of §§ 45.1-361.21.D.

Dated at Kingsport, Tennessee, this 31st day of July 2002.

[Signature]
Affiant

Taken, subscribed and sworn to before me by James E. Kaiser, the Agent of Equitable Production Company, a corporation, on behalf of the corporation, this 31st day of July 2002.

My commission expires: August 18, 2003

[Signature]
Notary

EXHIBIT "B" 379PG 262
V-504659
VGOB 02-0521-1030

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTEREST</u>	
<u>Gas Estate Only</u>						
1	Lambert Land LLC PO Box 490 Nora, VA 24272	Leased-EPC 244728L	50.79000000%	29.8500	0.06348750	RI
	Equitable Production Company				0.44441250	WI
Tract 1 Totals			50.79000000%	29.8500	0.50790000	
2 - 7	Pittston Company c/o Pine Mountain Oil & Gas, Inc. Attn: Richard Brillhart PO Box 5100 Lebanon VA 24226	Leased-EPC 241640L T2-128	28.79000000%	16.9200	0.03598750	RI
	Equitable Production Company				0.25191250	WI
Tract 2-7 Totals			28.79000000%	16.9200	0.28790000	
8	Pittston Company c/o Pine Mountain Oil & Gas, Inc. Attn: Richard Brillhart PO Box 5100 Lebanon VA 24226	Leased-EPC 241490L T-11	8.68000000%	5.1000	0.01085000	RI
	Equitable Production Company				0.07595000	WI
Tract 8 Totals			8.68000000%	5.1000	0.08680000	
9	N. K. RASNICK HEIRS	Collectively	0.02000000%	0.0100	0.00002500	RI
	Mary R. Phillips Heirs					
	Clayton Phillips Heirs					
	Helen Bailey & Carl Bailey, W/H Address Unknown	Unleased				
	Pearl Phillips Martin Heirs					
	June Humphrey, Widow Address Unknown	Unleased				

EXHIBIT B
V-504659
VGOB 02-0521-1030

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTEREST</u>
	Vivian Rasnick & Dennis Rasnick, W/H Address Unknown	Unleased			
	Lester Martin Heirs Address Unknown	Unleased			
	Darrell Martin Heirs Address Unknown	Unleased			
	Sid Rasnick, Widow Address Unknown	Unleased			
	Ralph Martin Heirs Address Unknown	Unleased			
	Lou Martin Heirs				
	Donald Martin & Betty Martin, H/W Route 1 Box 643 Dante, VA 24237	Unleased			
	Billie Martin Smith, Widow Address Unknown	Unleased Life Estate			
	Janet Benton & Eddie Benton, W/H Address Unknown	Unleased Remainderman			
	Mike Smith & Brenda Smith, H/W Address Unknown	Unleased Remainderman			
	Jeannie Hubbard & Jackie Hubbard, W/H Address Unknown	Unleased Remainderman			
	Harold Rasnick Heirs Address Unknown	Unleased			
	L. K. Rasnick & Amelia Rasnick Heirs				

EXHIBIT "B" 264
V-504659
VGOB 02-0521-1030

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTEREST</u>
	Bazil Rasnick & Mae Rasnick, H/W Route 1 Box 740 Dante, VA 24237	Leased-EREC 245424L01			
	Lydia Rasnick Sutherland & J. C. Sutherland Heirs				
	Agnes Gilliam, Widow P. O. Box 296 Clintwood, VA 24228	Leased-EREC 245424L03			
	Margaret Porter, Widow P. O. Box 296 Clintwood, VA 24228	Leased-EREC 245424L02			
	Reed Sutherland Heirs				
	Floyd Jesse Sutherland & Noelle Sutherland, H/W P. O. Box 2434 Abingdon, VA 24210	Unleased			
	William Reed Sutherland & Ann Dale Sutherland, H/W P. O. Box 245 Surry, VA 23883	Unleased			
	Stewart Sutherland & Jennie Sutherland, H/W Route 1 Box 405 Wytheville, VA 24382	Unleased			
	Patricia Cox Heirs				
	Hagen Cox, Widower 2700 Blithe Drive Chester, VA 23831	Unleased Life Estate			
	Mary Ann Roach & Jeff Roach, W/H 2217 Hunter's Glen Wichita Fall, TX 76306	Unleased Remainderman			

BK 379PG 265
EXHIBIT "B"
V-504659
VGOB 02-0521-1030

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTEREST</u>	
	Lee Ann Murray & Woodie Murray, W/H 4416 Walkers Landing Drive Petersburgh, VA 23803	Unleased Remainderman				
	Gaines Reed Cox 507 Brookhaven Court Jefferson City, TN 37760	Unleased Remainderman				
	Berry Cox, Single 2217 Hunter's Glen Wichita Falls, TX 76306	Unleased Remainderman				
	R. W. Rasnick Heirs Address Unknown	Unleased				
	Tilden Rasnick Heirs Address Unknown	Unleased				
	Equitable Production Company				0.00017500	WI
Tract 9 Totals			0.02000000%	0.0100	0.00020000	
10	Charles W. Grizzle, et al Unknown	Unleased	11.72000000%	6.8900	0.01465000	RI
	Equitable Production Company				0.10255000	WI
Tract 10 Totals			11.72000000%	6.8900	0.11720000	
TOTAL GAS ESTATE			100.00000000%	58.7700	1.00000000	

EXHIBIT "B" PG 266
V-504659
VGOB 02-0521-1030

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTEREST</u>	
<u>COAL ESTATE ONLY</u>						
1	Lambert Land LLC PO Box 490 Nora, VA 24272	Leased-EPC 244728L	50.79000000%	29.8500	0.06348750	RI
	Equitable Production Company				0.44441250	WI
Tract 1 Totals			50.79000000%	29.8500	0.50790000	
2 - 7	Lambert Land LLC PO Box 490 Nora, VA 24272	Leased-EPC 244728L	28.79000000%	16.9200	0.03598750	RI
	Equitable Production Company				0.25191250	WI
Tract 2-7 Totals			28.79000000%	16.9200	0.28790000	
8	Pittston Company c/o Pine Mountain Oil & Gas, Inc. Attn: Richard Brillhart PO Box 5100 Lebanon VA 24226	Leased-EPC 241490L T-11	8.68000000%	5.1000	0.01085000	RI
	Equitable Production Company				0.07595000	WI
Tract 8 Totals			8.68000000%	5.1000	0.08680000	
9	Lambert Land LLC PO Box 490 Nora, VA 24272	Leased-EPC 244728L	0.02000000%	0.0100	0.00002500	RI
	Equitable Production Company				0.00017500	WI
Tract 9 Totals			0.02000000%	0.0100	0.00020000	
10	Lambert Land LLC PO Box 490 Nora, VA 24272	Leased-EPC 244728L	11.72000000%	6.8900	0.01465000	RI
	Equitable Production Company				0.10255000	WI
Tract 10 Totals			11.72000000%	6.8900	0.11720000	
TOTAL COAL ESTATE			100.00000000%	58.7700	1.00000000	

INSTRUMENT NO. 020001789
Recorded in the Clerk's Office
of Dickenson County

VIRGINIA: IN THE OFFICE OF THE CLERK OF THE CIRCUIT COURT OF DICKENSON COUNTY, Sept. 20, 2020. This deed was this day presented in said office, and upon the certificate of acknowledgment thereto annexed, admitted to record at 11:03 o'clock A.M., after payment of \$ tax imposed by Sec. 58.1-802.

Original returned this date to: Diane Davis

TESTE: JOE TATE, CLERK
 BY: Sherry Baker D. CLERK

COMMONWEALTH OF VIRGINIA


 OFFICIAL RECEIPT
 DICKENSON CIRCUIT COURT
 DEED RECEIPT

DATE: 09/20/02 TIME: 11:04:31 ACCOUNT: 051CLR020001789 RECEIPT: 02000005515
 CASHIER: IJB REG: DK21 TYPE: ODU PAYMENT: FULL PAYMENT
 INSTRUMENT : 020001789 BOOK: 379 PAGE: RECORDED: 09/20/02 AT 11:03
 GRANTOR NAME : VIRGINIA GAS & OIL BOARD EX: N LOCALITY: CO
 GRANTEE NAME : EQUITABLE PRODUCTION COMPANY EX: N PERCENT: 100%
 AND ADDRESS :
 RECEIVED OF : DEPT MINES MINERALS ENERGY DATE OF DEED: 09/20/02
 CHECK : \$22.00
 DESCRIPTION 1: REPORT OF BOARD FINDINGS & ORDER PAGES: 12
 2: WELL #VC504659 NAMES: 0
 CONSIDERATION: .00 ASSUME/VAL: .00 MAP: 255
 CODE DESCRIPTION PAID CODE DESCRIPTION PAID
 301 DEEDS 22.00

TENDERED : 22.00
 AMOUNT PAID: 22.00
 CHANGE AMT : .00

CLERK OF COURT: JOE TATE

V I R G I N I A:

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT:	EQUITABLE PRODUCTION COMPANY,)	VIRGINIA GAS
)	AND OIL BOARD
RELIEF SOUGHT:	POOLING OF INTERESTS IN A 58.77-)	
	ACRE SQUARE DRILLING UNIT)	DOCKET NO.
	DESCRIBED IN EXHIBIT A HERETO)	02-0521-1030
	LOCATED IN THE NORA COAL BED GAS)	
	FIELD AND SERVED BY WELL NO.)	
	VC-504659 (herein "Subject Drilling)	
	Unit") PURSUANT TO VA. CODE)	
	§§ 45.1-361.21 AND 45.1-361.22,)	
	FOR THE PRODUCTION OF OCCLUDED)	
	NATURAL GAS PRODUCED FROM COALBEDS)	
	AND ROCK STRATA ASSOCIATED)	
	THEREWITH (herein "Coalbed Methane)	
	Gas" or "Gas"))	
)	
)	
LEGAL DESCRIPTION:)	
)	
	SUBJECT DRILLING UNIT SERVED BY WELL NUMBERED)	
	VC-504659 (herein "Well") TO BE DRILLED IN)	
	THE LOCATION DEPICTED ON EXHIBIT A HERETO,)	
	LAMBERT LAND LLC 77.05 ACRE COAL, OIL)	
	AND GAS TRACT)	
	NORA QUADRANGLE)	
	KENADY MAGISTERIAL DISTRICT)	
	DICKENSON COUNTY, VIRGINIA)	
	(the "Subject Lands" are more)	
	particularly described on Exhibit)	
	"A", attached hereto and made a)	
	part hereof))	

REPORT OF THE BOARDFINDINGS AND ORDER

1. Hearing Date and Place: This matter came on for hearing before the Virginia Gas and Oil Board (hereafter "Board") at 9:00 a.m. on May 21, 2002, Southwest Higher Education Center, Campus of Virginia Highlands Community College, Abingdon, Virginia.

2. Appearances: James E. Kaiser of Wilhoit & Kaiser, appeared for the Applicant; and Sandra B. Riggs, Assistant Attorney General, was present to advise the Board.

3. Jurisdiction and Notice: Pursuant to Va. Code §§45.1-361.1 et seq., the Board finds that it has jurisdiction over the subject matter. Based upon the evidence presented by Applicant, the Board also finds that the Applicant has (1) exercised due diligence in conducting a meaningful search of reasonably available sources to determine the identity and whereabouts of each gas and oil owner, coal owner, or mineral owner and/or potential owner, i.e., person identified by Applicant as having ("Owner") or claiming ("Claimant") the rights to Coalbed Methane Gas in all Pennsylvania-aged coals from the top of the Raven, including all splits to the top of the green and red shales including, but not limited to Jawbone, Greasy Creek, C-Seam, War Creek, Beckley, Lower Horspen, X-Seam, Poco No. 9, Poco No. 7, Poco No. 6, Poco No.

3, and any other unnamed coal seams, coalbeds and rock strata associated with the Nora Coalbed Gas Field (hereafter "Subject Formations") in the Subject Drilling Unit underlying and comprised of Subject Lands; (2) has given notice to those parties so identified (hereafter sometimes "person(s)" whether referring to individuals, corporations, partnerships, associations, companies, businesses, trusts, joint ventures or other legal entities) entitled by Va. Code §§ 45.1-361.19 and 45.1-361.22, to notice of the application filed herein; and (3) that the persons set forth in Exhibit B hereto have been identified by Applicant as persons who may be Owners or Claimants of Coalbed Methane Gas interests in Subject Formations in the Subject Drilling Unit, underlying and comprised of Subject Lands. Further, the Board has caused notice of this hearing to be published as required by Va. Code § 45.1-361.19.B. Whereupon, the Board hereby finds that the notices given herein satisfy all statutory requirements, Board rule requirements and the minimum standards of state due process.

4. Amendments: None.

5. Dismissals: None.

6. Relief Requested: Applicant requests that pursuant to Va. Code § 45.1-361.22, including the applicable portions of § 45.1-361.21, the Board pool the rights, interests and estates in and to the Gas in the Subject Drilling Unit, including those of the Applicant and of the known and unknown persons named in Exhibit B hereto and that of their known and unknown heirs, executors, administrators, devisees, trustees, assigns and successors, both immediate and remote, for the drilling and operation, including production, of Coalbed Methane Gas produced from the Subject Drilling Unit established for the Subject Formations underlying and comprised of the Subject Lands, (hereafter sometimes collectively identified and referred to as "well development and/or operation in the Subject Drilling Unit"); and, (3) that the Board designate Equitable Production Company as the Unit Operator.

7. Relief Granted: The requested relief in this cause be and hereby is granted and: (1) pursuant to Va. Code § 45.1-361.21.C.3, Equitable Production Company (hereafter "Unit Operator" or "Operator") is designated as the Unit Operator authorized to drill and operate the Well in Subject Drilling Unit, subject to the permit provisions contained in Va. Code § 45.1-361.27, et seq.; to §§ 4 VAC 25-150 et seq., Gas and Oil Regulations; to § 4 VAC 25-160 et seq., Virginia Gas and Oil Board Regulations and to the Nora Coal Bed Gas Field Rules established by the Oil and Gas Conservation Board's Order entered March 26, 1989; all as amended from time to time; and (2) all the interests and estates in and to the Gas in Subject Drilling Unit, including those of the Applicant and of the known and unknown persons listed on Exhibit B, attached hereto and made a part hereof, and their known and unknown heirs, executors, administrators, devisees, trustees, assigns and successors, both immediate and remote, leased or unleased, be and hereby are pooled in the Subject Formations in the Subject Drilling Unit underlying and comprised of the Subject Lands.

<u>Subject Formation</u>	<u>Unit Size</u>	<u>Permitted Well Location</u>	<u>Field and Well Classification</u>	<u>Order Number</u>
All Pennsylvanian aged coals from the top of the Raven including all splits to the top of the Green and red shales, including, but not limited to Jawbone, Greasy Creek, C-Seam, War Creek, Beckley, Lower Horsepen, X-Seam, Poco No. 9, Poco No. 7, Poco No. 6, Poco No. 3 and any other unnamed coal seams, coal-beds, and rock strata, associated with the Nora Coalbed Gas Field. (Multiple Completion)	Approximately 58.77-acre, square drilling unit.	Well VC-504659 (herein "Well") to be located as depicted on Exhibit A Depth: Approximately 1,937 feet.	Nora Coal Bed Gas Field	OGCB Order for the Nora Coal Bed Gas Field entered March 26, 1989, as amended.

For the Subject Drilling Unit
underlying and comprised of the Subject
Land Served by Well No. VC-504659

Dickenson County, Virginia

8. Election and Election Period: In the event any Gas Owner or Claimant named in Exhibit B has not reached a voluntary agreement to share in the operation of the Well to be located in Subject Drilling Unit at a rate of payment mutually agreed to by said Gas Owner or Claimant and the Unit Operator, then such person may elect one of the options set forth in Paragraph 9 below and must give written notice of his election of the option selected under Paragraph 9 herein to the Unit Operator at the address shown below within thirty (30) days from the date this Order is recorded in the county above named. A timely election shall be deemed to have been made if, on or before the last day of said 30-day period, such electing person has delivered his written election to the Unit Operator at the address shown below or has duly postmarked and placed his written election in first class United States

mail, postage prepaid, addressed to the Unit Operator at the address shown below.

9. Election Options:

- 9.1 Option 1 - To Participate In The Development and Operation of the Drilling Unit: Any Gas Owner or Claimant named in Exhibit B who has not reached a voluntary agreement with the Unit Operator may elect to participate in the Well development and operation in the Subject Drilling Unit (hereafter "Participating Operator") by agreeing to pay the estimate of such Participating Operator's proportionate part of the actual and reasonable costs, including a reasonable supervision fee, of the Well development and operation in the Subject Drilling Unit, as more particularly set forth in Virginia Gas and Oil Board Regulation 4 VAC 25-160-100 (herein "Completed for Production Costs"). Further, a Participating Operator agrees to pay the estimate of such Participating Operator's proportionate part of the Estimated, Completed-for-Production Costs as set forth below to the Unit Operator within forty-five (45) days from the later of the date of mailing or the date of recording of this Order. The estimated Completed-for-Production Costs for the Subject Drilling Unit are as follows:

Estimated, Completed-for-Production Costs (Multiple Completion):

\$172,998.00

A Participating Operator's proportionate cost hereunder shall be the result obtained by multiplying the Participating Operator's "Interest within Unit" as set forth in the fourth column of Exhibit B times the Estimated Completed-for-Production Costs set forth above. Provided, however, that in the event a Participating Operator elects to participate and fails or refuses to pay the estimate of his proportionate part of the Estimated, Completed-for-Production Costs as set forth above, all within the time set forth herein and in the manner prescribed in Paragraph 8 of this Order, then such Participating Operator shall be deemed to have elected not to participate and to have elected compensation in lieu of participation pursuant to Paragraph 9.2 herein.

- 9.2 Option 2 - To Receive A Cash Bonus Consideration: In lieu of participating in the Well development and operation in Subject Drilling Unit under Paragraph 9.1 above, any Gas Owner or Claimant named in Exhibit B hereto who has not reached a voluntary agreement with the Unit Operator may elect to accept a cash bonus consideration of \$5.00 per net mineral acre owned by such person, commencing upon entry of this Order and continuing annually until commencement of production from Subject Drilling Unit, and thereafter a royalty of 1/8th of 8/8ths [twelve and one-half percent (12.5%)] of the net proceeds received by the Unit Operator for the sale of the Gas produced from any Well development and operation covered by this Order multiplied by that person's Interest Within Unit as set forth in the fourth column of Exhibit B [for purposes of this Order, net proceeds shall be actual proceeds received less post-production costs incurred downstream of the wellhead, including, but not limited to, gathering, compression, treating, transportation and marketing costs, whether performed by Unit Operator or a third person] as fair, reasonable

and equitable compensation to be paid to said Gas Owner or Claimant. The initial cash bonus shall become due and owing when so elected and shall be tendered, paid or escrowed within one hundred twenty (120) days of recording of this Order. Thereafter, annual cash bonuses, if any, shall become due and owing on each anniversary of the date of recording of this order in the event production from Subject Drilling Unit has not theretofore commenced, and once due, shall be tendered, paid or escrowed within sixty (60) days of said anniversary date. Once the initial cash bonus and the annual cash bonuses, if any, are so paid or escrowed, said payment(s) shall be satisfaction in full for the right, interests, and claims of such electing person in and to the Gas produced from Subject Formation in the Subject Lands, except, however, for the 1/8th royalties due hereunder.

Subject to a final legal determination of ownership, the election made under this Paragraph 9.2, when so made, shall be satisfaction in full for the right, interests, and claims of such electing person in any Well development and operation covered hereby and such electing person shall be deemed to and hereby does lease and assign its right, interests, and claims in and to the Gas produced from Subject Formation in the Subject Drilling Unit to the Unit Operator.

- 9.3. Option 3 - To Share In The Development And Operation As A Non-Participating Person On A Carried Basis And To Receive Consideration In Lieu Of Cash: In lieu of participating in the Well development and operation of Subject Drilling Unit under Paragraph 9.1 above and in lieu of receiving a cash bonus consideration under Paragraph 9.2 above, any Gas Owner or Claimant named in Exhibit B who has not reached a voluntary agreement with the Unit Operator may elect to share in the well development and operation in Subject Drilling Unit on a carried basis (as a "Carried Well Operator") so that the proportionate part of the Completed-for-Production Costs hereby allocable to such Carried Well Operator's interest is charged against such Carried Well Operator's share of production from Subject Drilling Unit. Such Carried Well Operator's rights, interests, and claims in and to the Gas in Subject Drilling Unit shall be deemed and hereby are assigned to the Unit Operator until the proceeds from the sale of such Carried Well Operator's share of production from Subject Drilling Unit (exclusive of any royalty, excess or overriding royalty, or other non-operating or non cost-bearing burden reserved in any lease, assignment thereof or agreement relating thereto covering such interest) equals three hundred percent (300%) for a leased interest or two hundred percent (200%) for an unleased interest (whichever is applicable) of such Carried Well Operator's share of the Completed-for-Production Costs allocable to the interest of such Carried Well Operator. When the Unit Operator recoups and recovers from such Carried Well Operator's assigned interest the amounts provided for above, then, the assigned interest of such Carried Well Operator shall automatically revert back to such Carried Well Operator, and from and after such reversion, such Carried Well Operator shall be treated as if it had participated initially under Paragraph 9.1 above; and thereafter, such participating person shall be charged with and shall pay his proportionate part of all further costs of such well development and operation.

The election made under this Paragraph 9.3, when so made, shall be satisfaction in full for the right, interests, and claims of such electing person in any Well development and operation covered hereby and such electing person shall be deemed to have and hereby does assign his right, interests, and claims in and to the Gas produced from Subject Formation in the Subject Drilling Unit to the Unit Operator for the period of time during which his interest is carried as above provided prior to its reversion back to such electing person.

10. Failure to Properly Elect: In the event any Gas Owner or Claimant named in Exhibit B hereto has not reached a voluntary agreement with the Unit Operator and fails to elect within the time, in the manner, and in accordance with the terms of this Order one of the alternatives set forth in Paragraph 9 above for which his interest qualifies, then such person shall be deemed to have elected not to participate in the proposed Well development and operation in Subject Drilling Unit and shall be deemed, subject to any final legal determination of ownership, to have elected to accept as satisfaction in full for such person's right, interests, and claims in and to the Gas the consideration provided in Paragraph 9.2 above for which its interest qualifies, and shall be deemed to have leased and/or assigned his right, interests, and claims in and to said Gas produced from Subject Formation in Subject Drilling Unit to the Unit Operator. Persons who fail to properly elect shall be deemed to have accepted the compensation and terms set forth herein at Paragraph 9.2 in satisfaction in full for the right, interests, and claims of such person in and to the Gas produced from Subject Formation underlying Subject Lands.

11. Default By Participating Person: In the event a person named in Exhibit B elects to participate under Paragraph 9.1, but fails or refuses to pay, to secure the payment or to make an arrangement with the Unit Operator for the payment of such person's proportionate part of the Estimated, Completed-for-Production costs as set forth herein, all within the time and in the manner as prescribed in this Order, then such person shall be deemed to have withdrawn his election to participate and shall be deemed to have elected to accept as satisfaction in full for such person's right, interests, and claims in and to the Gas the consideration provided in Paragraph 9.2 above for which his interest qualifies depending on the excess burdens attached to such interest. Whereupon, any cash bonus consideration due as a result of such deemed election shall be tendered, paid or escrowed by Unit Operator within one hundred twenty (120) days after the last day on which such defaulting person under this Order should have paid his proportionate part of such cost or should have made satisfactory arrangements for the payment thereof. When such cash bonus consideration is paid or escrowed, it shall be satisfaction in full for the right, interests, and claims of such person in and to the Gas underlying Subject Drilling Unit in the Subject Lands covered hereby, except, however, for any 1/8th royalties which would become due pursuant to Paragraph 9.2 hereof.

12. Assignment of Interest: In the event a person named in Exhibit B is unable to reach a voluntary agreement to share in the Well development and operation in Subject Drilling Unit at a rate of payment agreed to mutually by said Gas Owner or Claimant and the Unit Operator, and said person elects or fails to elect to do other than participate under Paragraph 9.1 above in the Well development and operation in Subject Drilling Unit, then such person shall be deemed to have and shall have assigned unto Unit Operator such

person's right, interests, and claims in and to said Well, in Subject Formations in Subject Drilling Unit, and other share in and to Gas production to which such person may be entitled by reason of any election or deemed election hereunder in accordance with the provisions of this Order governing said elections.

13. Unit Operator (or Operator): Equitable Production Company be and hereby is designated as Unit Operator authorized to drill and operate Well No. VC-504659 in Subject Formations in Subject Drilling Unit, all subject to the permit provisions contained in Va. Code §§ 45.1-361.27 et seq.; §§ 4 VAC 25-150 et seq., Gas and Oil Regulations; §§ 4 VAC 25-160 et seq., Virginia Gas and Oil Board Regulations; Oil and Gas Conservation Board ("OGCB") Order establishing the Nora Coal Bed Gas Field Rules entered March 26, 1989; all as amended from time to time, and all elections required by this Order shall be communicated to Unit Operator in writing at the address shown below:

Equitable Production Company
Clover Leaf Square, Building B
Big Stone Gap, VA 24219
Phone: (540) 523-5003
Fax: (540) 523-7857

14. Commencement of Operations: Unit Operator shall commence or cause to commence operations for the drilling of the Well within Subject Drilling Unit within seven hundred thirty (730) days from the date of this Order, and shall prosecute the same with due diligence. If the Unit Operator shall not have so commenced and/or prosecuted, then this order shall terminate, except for any cash sums then payable hereunder; otherwise, unless sooner terminated by Order of the Board, this Order shall expire at 12:00 p.m. on the date on which the well covered by this Order is permanently abandoned and plugged.

15. Operator's Lien: Unit Operator, in addition to the other rights afforded hereunder, shall have a lien and a right of set off on the Gas estates, rights, and interests owned by any person subject hereto who elects to participate under Paragraph 9.1 in the Subject Drilling Unit to the extent that costs incurred in the drilling or operation on the Subject Drilling Unit are a charge against such person's interest. Such liens and right of set off shall be separable as to each separate person and shall remain liens until the Unit Operator drilling or operating the Well has been paid the full amounts due under the terms of this Order.

16. Escrow Provisions:

16.1 Escrow Account: The Unit Operator has represented to the Board, as reflected in Exhibit B hereto, that: (1) there are unknown and/or unlocatable Owners/Claimants within Tracts 9 and 10 of Subject Drilling Unit whose entitlements are subject to the escrow provisions of Paragraph 16.2 below, and that (2) there are conflicting Owners/Claimants in Tracts 2-7, 9 and 10 of Subject Drilling Unit whose entitlements are subject to the escrow requirements of Paragraph 16.3 below. Therefore, by this Order, the Board instructs the Escrow Agent named herein or any successor named by the Board to establish an interest-bearing escrow account, with subaccounts for Tracts 2-7, 9 and 10 of Subject Drilling Unit (herein "the Escrow Account"), to receive and account to the Board pursuant to its agreement for the escrowed funds described in Paragraphs 16.2 and 16.3 below for production from Well VC-504659:

First Union National Bank
 Corporate Trust PA1328
 123 South Broad Street
 Philadelphia, PA 19109-1199
 Telephone: (215) 985-3485 or (800) 665-9359
 Attention: Don Ballinghoff

16.2. Escrow Provisions For Unknown or Unlocatable Persons: If any payment of bonus, royalty payment or other payment due and owing pursuant to Va. Code §§ 45.1-361.21 or 45.1-361.22 cannot be made because the person entitled thereto cannot be located or is unknown, then such cash bonus, royalty payment, or other payment shall not be commingled with any funds of the Unit Operator and shall, pursuant to Va. Code § 45.1-361.21.D, said sums shall be deposited by the Operator into the Escrow Account, commencing within one hundred twenty (120) days of recording of this Order, and continuing thereafter on a monthly basis with each deposit to be made, by use of a report format approved by the Inspector, by a date which is no later than sixty (60) days after the last day of the month being reported and/or for which funds are subject to deposit. Such funds shall be held for the exclusive use of, and sole benefit of the person entitled thereto until such funds can be paid to such person(s) or until the Escrow Agent relinquishes such funds as required by law or pursuant to Order of the Board in accordance with Va. Code § 45.1-361.21.D.

16.3. Escrow Provisions for Conflicting Claimants: If any payment of bonus, royalty payment or other payment due and owing pursuant to Va. Code § 45.1-361.22 cannot be made because the person entitled thereto cannot be made certain due to conflicting claims of ownership and/or a defect or cloud on the title, then such cash bonus, royalty payment, proceeds in excess of ongoing operational expenses, or other payment, together with Participating Operator's Proportionate Costs paid to Operator pursuant to Paragraph 9.1, if any, (1) shall not be commingled with any funds of the Unit Operator; and (2) shall, pursuant to Va. Code §§ 45.1-361.22.A.2, 45.1-361.22.A.3 and 45.1-361.22.A.4, be deposited by the Operator into the Escrow Account, commencing within one hundred twenty (120) days of the recording of this Order, and continuing thereafter on a monthly basis with each deposit to be made, by use of a report format approved by the Inspector, by a date which is no later than sixty (60) days after the last day of each month being reported and/or for which funds are subject to deposit. Such funds shall be held for the exclusive use of, and sole benefit of, the person entitled thereto until such funds can be paid to such person(s) or until the Escrow Agent relinquishes such funds as required by law or pursuant to Order of the Board.

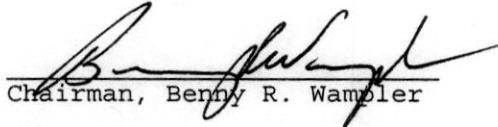
17. Special Findings: The Board specifically and specially finds:

- 17.1 Applicant is a West Virginia corporation, duly authorized and qualified to transact business in the Commonwealth of Virginia;
- 17.2 Applicant claims ownership of oil and gas and coalbed methane gas leasehold estates representing 88.26 percent of the gas estate, and 100.00 percent of the coal estate with the Subject Drilling Unit;
- 17.3 Applicant is an operator in the Commonwealth of Virginia and has satisfied the Board's requirements for operations in Virginia;


- 17.4 Applicant proposes to drill one (1) well, Well No. VC-504659, to a depth of 1,937 feet, on the Subject Drilling Unit to develop the Gas in Subject Formations;
- 17.5 Set forth in Exhibit B is the name and last know address of each person identified by the Applicant as having or claiming an interest in the Coalbed Methane Gas in the Subject Drilling Unit underlying and comprised of Subject Lands, including those Gas Owners or Claimants within Tracts 9 and 10 who have not in writing, leased to the Applicant or agreed to voluntarily pool their Gas interest in Subject Drilling Unit for its development. The Gas Owners or Claimants within Tracts 9 and 10 of Subject Drilling Unit who have not reached a voluntary agreement to share in the operation of the well represent 11.74 percent of the gas and oil estate and 0 percent of the coal estate in Subject Drilling Unit;
- 17.6 The estimated production over the life of the proposed well is 300 million cubic feet;
- 17.7 Applicant's evidence established that the fair, reasonable and equitable compensation to be paid to any person in lieu of the right to participate in any well covered hereby are those options provided in paragraph 9 above;
- 17.8 The relief requested and granted is just and reasonable, is supported by substantial evidence and will afford each person in the Subject Drilling Unit the opportunity to recover or receive, without unnecessary expense, each person's just and fair share of the production of the Gas from Subject Drilling Unit. The granting of the Application and relief requested therein will ensure to the extent possible the greatest ultimate recovery of Gas, prevent or assist in preventing the various types of waste prohibited by statute, and protect or assist in protecting the correlative rights of all persons in the subject common sources of supply in the Subject Lands. Therefore, the Board is entering an Order granting the relief herein set forth.
18. Mailing Of Order And Filing Of Affidavit: Applicant or its Attorney shall file an affidavit with the Secretary of the Board within sixty (60) days after the date of receipt of this Order stating that a true and correct copy of said Order was mailed within seven (7) days from the date of receipt of this Order to each person pooled by this Order whose address is known.
19. Availability of Unit Records: The Director shall provide all persons not subject to a lease with reasonable access to all records for Subject Drilling Unit which are submitted by the Unit Operator to said Director and/or his Inspector(s).
20. Conclusion: Therefore, the requested relief and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.
21. Appeals: Appeals of this Order are governed by the provisions of Va. Code § 45.1-361.9 which provides that any order or decision of the Board may be appealed to the appropriate circuit court.

22. Effective Date: This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 14th day of June, 2002, by a majority of the Virginia Gas and Oil Board.



Chairman, Benny R. Wampler

DONE AND PERFORMED this 28th day of June, 2002, by Order of this Board.


B. R. Wilson
Principal Executive To The Staff
Virginia Gas and Oil Board

STATE OF VIRGINIA)
COUNTY OF WISE)

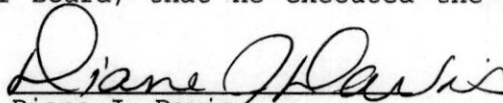
Acknowledged on this 14th day of June, 2002, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.


Susan G. Garrett
Notary Public

My commission expires July 31, 2002

STATE OF VIRGINIA)
COUNTY OF WASHINGTON)

Acknowledged on this 28th day of June, 2002, personally before me a notary public in and for the Commonwealth of Virginia, appeared B. R. Wilson, being duly sworn did depose and say that he is Principal Executive to the Staff of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.


Diane J. Davis
Notary Public

My commission expires September 30, 2005

Order Recorded Under Code of
Virginia Section 45.1-361.26

1697'

TOTAL UNIT AREA
= 58.77 ACRES

BK 376 PG 560

LATITUDE 37°02'30"

LONGITUDE 82°17'30"

10470'

— — — — — DENOTES MINERAL LINE
 - - - - - DENOTES SURFACE LINE
 - - - — — — DENOTES SURFACE & MINERAL LINES

NOTE !!!
SEE SUPPLEMENT SHEET FOR
TRACT INFORMATION.

CCC COORDINATES
OF WELL VC-4659 -
S 31691.23
E 25072.07

COORDINATES
OF BENCH MARK
S 77498.41
E 22826.48
ELEV. = 1754.09

G.B. LAMBERT, et. als. — surface

NOTE ! ! !

WELL COORDINATES ARE BASED ON CLINCHFIELD
COAL COMPANY'S COORDINATE SYSTEM

STATE PLANE WELL COORDINATES ARE CALCULATED FROM CLINCHFIELD COAL COMPANY COORDINATES.

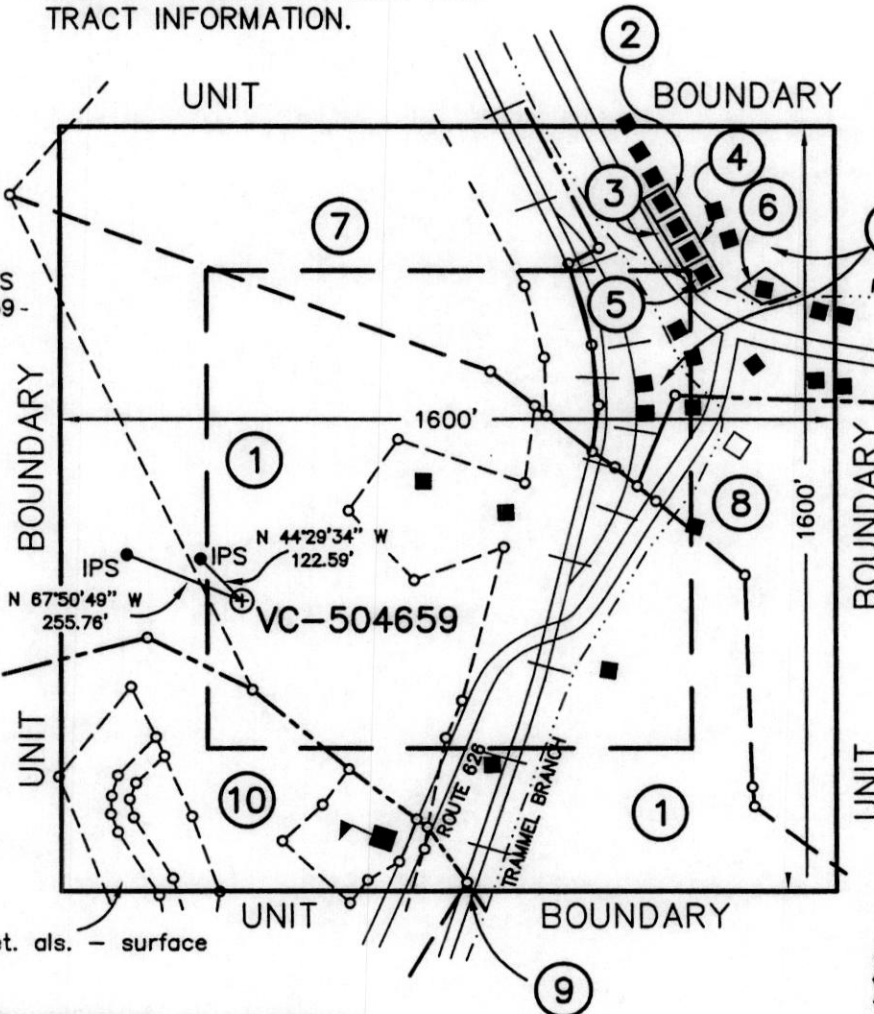
PROPERTY INFORMATION PROVIDED BY EQUITABLE
PRODUCTION COMPANY.

ELEVATIONS ARE BASED ON NGS CONTROL ST. PAUL 2.

STATE PLANE COORDINATES
OF WELL VC-4659
N 269717.67
E 891512.05

.. McCLURE CREEK

ROUTE 63



WELL LOCATION PLAT

COMPANY Equitable Production Company WELL NAME AND NUMBER VC-504659
TRACT No. LEASE NO. 150 ELEVATION 2063.79 (GPS) QUADRANGLE NORA
COUNTY DICKENSON DISTRICT KENADY SCALE: 1" = 400' DATE APRIL 3, 2002
THIS PLAT IS A NEW PLAT ; AN UPDATED PLAT x; OR A FINAL LOCATION PLAT
PROPOSED TOTAL DEPTH OF WELL =

+ DENOTES THE LOCATION OF A WELL ON UNITED STATES TOPOGRAPHIC MAPS, SCALE 1 TO 24,000, LATITUDE AND LONGITUDE LINES BEING REPRESENTED BY BORDER LINES AS SHOWN.

(AFFIX SEAL)

LICENSED PROFESSIONAL ENGINEER OR LICENSED LAND SURVEYOR

①

LEASE No. 244728
J.M. ERVIN
77.05 ACRES
LAMBERT LAND, L.L.C. - coal, oil & gas
GAS 29.85 AC. 50.79%

BK 376PG 561

LEASE No. 241640 / T2-128
B.W. JENNINGS
79.23 ACRES
ELSIE AMBURGEY & EDWARD KISER -
surface & coal (Upper & Lower Banner only)
PINE MOUNTAIN OIL & GAS, INC. - oil & gas
LAMBERT LAND, L.L.C. - coal (remaining)
PINE MOUNTAIN OIL & GAS, INC. - oil & gas

③

LEASE No. 241640 / T2-128
B.W. JENNINGS
79.23 ACRES
HERBERT WORLEY - surface & coal
(Upper & Lower Banner only)
PINE MOUNTAIN OIL & GAS, INC. - oil & gas
LAMBERT LAND, L.L.C. - coal (remaining)
PINE MOUNTAIN OIL & GAS, INC. - oil & gas

④

LEASE No. 241640 / T2-128
B.W. JENNINGS
79.23 ACRES
RALPH & LEVONE KISER -
surface & coal (Upper & Lower Banner only)
PINE MOUNTAIN OIL & GAS, INC. - oil & gas
LAMBERT LAND, L.L.C. - coal (remaining)
PINE MOUNTAIN OIL & GAS, INC. - oil & gas

⑤

LEASE No. 241640 / T2-128
B.W. JENNINGS
79.23 ACRES
HOBART LEE & OCIE HAMMONS -
surface & coal (Upper & Lower Banner only)
PINE MOUNTAIN OIL & GAS, INC. - oil & gas
LAMBERT LAND, L.L.C. - coal (remaining)
PINE MOUNTAIN OIL & GAS, INC. - oil & gas

⑥

LEASE No. 241640 / T2-128
B.W. JENNINGS
79.23 ACRES
BRENDA LEFTWICH -
surface & coal (Upper & Lower Banner only)
PINE MOUNTAIN OIL & GAS, INC. - oil & gas
LAMBERT LAND, L.L.C. - coal (remaining)
PINE MOUNTAIN OIL & GAS, INC. - oil & gas

⑦

LEASE No. 241640 / T2-128
B.W. JENNINGS
79.23 ACRES
CLINCHFIELD COAL COMPANY/
PYXIS RESOURCES COMPANY - coal (Upper &
Lower Banner only)
LAMBERT LAND, L.L.C. - coal (remaining)
PINE MOUNTAIN OIL & GAS, INC. - oil & gas
GAS 16.92 AC. 28.79%

⑧

LEASE No. 241490 / T-11
PIONEER COAL CORP.
361.00 ACRES
CLINCHFIELD COAL COMPANY/
PYXIS RESOURCES COMPANY - coal
PINE MOUNTAIN OIL & GAS, INC. -
oil & gas
GAS 5.10 AC. 8.68%

⑨

LEASE No. 245424
N.K. RASNICK HEIRS
27.75 ACRES
N.K. RASNICK HEIRS - oil & gas
LAMBERT LAND L.L.C. - coal
GAS 0.01 AC. 0.02%

⑩

LEASE No. 244728
90.00 ACRES
LAMBERT LAND L.L.C. - coal
(below Lower Banner)
CLINCHFIELD COAL COMPANY/
PYXIS RESOURCES COMPANY - coal
(Lower Banner & above)
CHARLES W. GRIZZLE HEIRS - oil & gas
GAS 6.89 AC. 11.72%

KENDRICK
ENGINEERING & SURVEYING Co.
40 MAIN STREET
CLINTWOOD, VIRGINIA
24228
(540) 926-6087 (540) 926-4172

EQUITABLE PRODUCTION COMPANY
WELL No. VC-504659
WELL PLAT SUPPLEMENT
SHEET 2

DRAWING NAME:
1603PLAT.DWG
SCALE:
1" = 400'
PROJECT No.:
1603PLAT.DWG
DATE:
APRIL 3, 2002

EXHIBIT "B" 2

VC-504659

Gas Estate Only

EXHIBIT "B"
VC-504659

BK 376PG 563

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
	Ralph Martin Heirs Address Unknown	Unleased		
	Lou Martin Heirs			
	Donald Martin & Betty Martin, H/W Route 1 Box 643 Dante, VA 24237	Unleased		
	Billie Martin Smith, Widow Address Unknown	Unleased Life Estate		
	Janet Benton & Eddie Benton, W/H Address Unknown	Unleased Remainderman		
	Mike Smith & Brenda Smith, H/W Address Unknown	Unleased Remainderman		
	Jeannie Hubbard & Jackie Hubbard, W/H Address Unknown	Unleased Remainderman		
	Harold Rasnick Heirs Address Unknown	Unleased		
	L. K. Rasnick & Amelia Rasnick Heirs			
	Bazil Rasnick & Mae Rasnick, H/W Route 1 Box 740 Dante, VA 24237	Leased-EREC 245424L01		
	Lydia Rasnick Sutherland & J. C. Sutherland Heirs			
	Agnes Gilliam, Widow P. O. Box 296 Clintwood, VA 24228	Leased-EREC 245424L03		
	Margaret Porter, Widow P. O. Box 296 Clintwood, VA 24228	Leased-EREC 245424L02		

EXHIBIT "B"
VC-504659

bn 376PG 564

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
	Reed Sutherland Heirs			
	Floyd Jesse Sutherland & Noelle Sutherland, H/W P. O. Box 2434 Abingdon, VA 24210	Unleased		
	William Reed Sutherland & Ann Dale Sutherland, H/W P. O. Box 245 Surry, VA 23883	Unleased		
	Stewart Sutherland & Jennie Sutherland, H/W Route 1 Box 405 Wytheville, VA 24382	Unleased		
	Patricia Cox Heirs			
	Hagen Cox, Widower 2700 Blithe Drive Chester, VA 23831	Unleased Life Estate		
	Mary Ann Roach & Jeff Roach, W/H 2217 Hunter's Glen Wichita Fall, TX 76306	Unleased Remainderman		
	Lee Ann Murray & Woodie Murray, W/H 4416 Walkers Landing Drive Petersburgh, VA 23803	Unleased Remainderman		
	Gaines Reed Cox 507 Brookhaven Court Jefferson City, TN 37760	Unleased Remainderman		
	Berry Cox, Single 2217 Hunter's Glen Wichita Falls, TX 76306	Unleased Remainderman		
	R. W. Rasnick Heirs Address Unknown	Unleased		
	Tilden Rasnick Heirs Address Unknown	Unleased		

EXHIBIT "B"
VC-504659

BK 376 PG 565

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
10	Charles W. Grizzle, et al Unknown	Unleased	11.72000000%	6.8900
TOTAL GAS ESTATE			100.00000000%	58.7700
Percentage of Unit Leased			88.26000000%	
Percentage of Unit Unleased			11.74000000%	
-				
Acreage in Unit Leased				51.8700
Acreage in Unit Unleased				6.9000

EXHIBIT "B"
VC-504659

BK 376PG 566

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
<u>COAL ESTATE ONLY</u>				
1	Lambert Land LLC PO Box 490 Nora, VA 24272	Leased-EPC 244728L	50.79000000%	29.8500
2 - 7	Lambert Land LLC PO Box 490 Nora, VA 24272	Leased-EPC 244728L	28.79000000%	16.9200
8	Pittston Company c/o Pine Mountain Oil & Gas, Inc. Attn: Richard Brillhart PO Box 5100 Lebanon VA 24226	Leased-EPC 241490L T-11	8.68000000%	5.1000
9	Lambert Land LLC PO Box 490 Nora, VA 24272	Leased-EPC 244728L	0.02000000%	0.0100
10	Lambert Land LLC PO Box 490 Nora, VA 24272	Leased-EPC 244728L	<u>11.72000000%</u>	<u>6.8900</u>
TOTAL COAL ESTATE			100.00000000%	58.7700
Percentage of Unit Leased			100.00000000%	
Percentage of Unit Unleased			0.00000000%	
Acreage in Unit Leased				58.7700
Acreage in Unit Unleased				0.0000

INSTRUMENT #0200001216
RECORDED IN THE CLERK'S OFFICE OF
DICKENSON ON
JUNE 24, 2002 AT 02:01PM

VIRGINIA: IN THE OFFICE OF THE CLERK OF THE CIRCUIT COURT OF DICKENSON COUNTY, 6/24, 2002 This deed was this day
presented in said office, and upon the certificate of acknowledgment thereto annexed, admitted to record at 2:01 o'clock P.M., after payment of
\$ 0 tax imposed by Sec. 58.1-802.

Original returned this date to:

Deane Davis

TESTE: JOE GATE, CLERK
BY: Tracey Baker

D. CLERK

EX-111-111

COMMONWEALTH OF VIRGINIA



OFFICIAL RECEIPT
DICKENSON CIRCUIT COURT
DEED RECEIPT

DATE: 06/24/02 TIME: 14:04:40 ACCOUNT: 051DLR020001216 RECEIPT: 02000003663
CASHIER: CDC REG: DK06 TYPE: OTHER PAYMENT: FULL PAYMENT
INSTRUMENT : 020001216 BOOK: 376 PAGE: 550 RECORDED: 06/24/02 AT 14:01
GRANTOR NAME : EQUITABLE PRODUCTION COMPANY EX: N LOCALITY: DO
GRANTEE NAME : JMMME EX: N PERCENT: 100%
AND ADDRESS : PO DRAWER 900 816 STONE GAP, VA 24219
RECEIVED OF : DIANE DAVIS DATE OF DEED: 06/29/02
CHECK : \$27.00
DESCRIPTION : REPORT OF THE BOARD FINDINGS AND ORDER PAGES: 17
2: WELL # 7C-504659 NAMES: 2
CONSIDERATION: .00 ASSUME/VAL: .00 MAP:
CODE DESCRIPTION PAID CODE DESCRIPTION PAID
201 DEEDS 22.50 145 VELS 1.50
106 TECHNOLOGY FUND FEE 3.00
TENDERED : 27.00
AMOUNT PAID: 27.00
CHANGE AMT : .00

CLERK OF COURT: JOE TATE

NOTICE OF HEARING BEFORE THE DEPARTMENT OF MINES, MINERALS &
ENERGY, DIVISION OF GAS AND OIL
Docket Number VGOB-02/05/21-1030
Well Number VC-504659

To: All persons, their known and unknown heirs, executors, administrators, devisees, assigns and successors, owning an interest in the gas, oil, coal or minerals underlying the Lambert Land LLC 77.05 Acre Coal, Oil and Gas Tract and adjacent tracts situated approximately 4,948 feet Southwest of the intersection of Virginia State Routes 63 and 626 on the waters of Trammel Branch, approximately 0.94 miles Southwest of Trammel, Kenady District, Nora Quadrangle, Dickenson County, Virginia.

NOTICE IS HEREBY GIVEN that Equitable Production Company, 1710 Pennsylvania Ave., P.O. Box 2347, Charleston, West Virginia 25328, is requesting that the Virginia Gas and Oil Board (hereinafter "Board") issue an order pooling all the rights, interests, and estates pursuant to Virginia Code Ann. § 45.1-361.1 et seq. in regard to the drilling, development and production of oil, gas and coalbed methane from drilling Unit VC-504659, containing approximately 58.77 acres, located on the above-referenced tracts.

NOTICE IS FURTHER GIVEN that this cause has been set for hearing and the taking of evidence before the Board at 9:00 a.m. on May 21, 2002 at the Southwest Virginia Higher Education Center, Abingdon, Virginia.

All interested persons may attend this hearing, with or without an attorney, and offer evidence or state any comments you have. The Board rules require that any written objections you wish to file must be filed with the Board at least 10 days before the hearing. For further information, contact the Virginia Gas and Oil Board, State Gas and Oil Inspector, Department of Mines, Minerals and Energy, Division of Gas and Oil, P.O. Box 1416, Abingdon, Virginia, 24210, (540) 676-5423 or the Applicant at the address shown above.

BEFORE THE VIRGINIA GAS AND OIL BOARD

Applicant:	Equitable Production Company)	
)	
Relief Sought:	Pooling VC-504659)	
)	
Legal Description:	Lambert Land LLC)	
	77.05 Acre Coal, Oil & Gas Tract)	
	Kenady District)	Docket Number:
	Nora Quadrangle)	VGOB-02/05/21-1030
	Dickenson County, Virginia)	
)	
	(See Exhibit "A" For Specific)	
	Description))	

APPLICATION

1. Parties: Applicant herein is Equitable Production Company, whose address for the purposes hereof is 1710 Pennsylvania Ave., P.O. Box 2347, Charleston, West Virginia 25328. The attorney for Applicant is James E. Kaiser, WILHOIT & KAISER, whose address is 220 Broad Street, Kingsport, Tennessee, 37660, Telephone: (423) 578-3838. The unleased entities or persons are listed on Exhibit B, attached hereto and made a party hereto. Set forth in Exhibit B is the name and last-known address of each owner of record identified by Applicant as having an interest in the oil, gas and coalbed methane underlying the unit described in Exhibit A, attached hereto and made part hereof. Each of the unleased individuals named in Exhibit B is being made a party if living; if any such individual is deceased, then the unknown heirs, executors, administrators, devisees, trustees and assignees, both immediate and remote, of any such deceased individual are made parties herein. Each of the unleased entities listed in Exhibit B that is a corporation is being made a party if such entity continues to have legal existence, and if any such corporation is dissolved, then the unknown successors, trustees, and assigns, both immediate and remote, of such dissolved corporation are made parties herein. Each of the unleased entities listed in Exhibit B that is an unincorporated association is being made a party if such entity continues to have legal existence, and if any such unincorporated association is dissolved or otherwise not in existence, then the unknown successors, trustees and assigns, both immediate and remote, of such unincorporated association are made parties herein.

2. Allegation of Facts: Applicant is the owner of the right to develop and produce oil, gas and coalbed methane from all formations, from the surface to total depth drilled within the Nora Coalbed Gas Field and underlying the lands described on Exhibit A attached hereto and made a part hereof and to appropriate the oil, gas and coalbed methane produced therefrom.

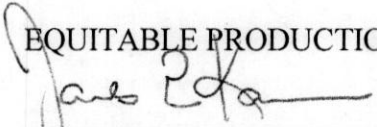
- (a) Applicant has proposed a plan of development and operation of the formations underlying the drilling unit involved herein (described and depicted on Exhibit Attached hereto and made a part hereof) and has proposed to commence such plan of development and operation of such unit by a well, designated as well number VC-504659 under such plan in the lands involved herein so as to produce oil, gas and coalbed methane from the proposed unit.
- (b) A Well work permit for well number VC-504659 is currently or is anticipated to be pending before the Department of Mines, Minerals and Energy.
- (c) Applicant has exercised due diligence to locate each of the oil, gas and coalbed methane interest owners named herein at Exhibit B and has made a bona fide effort to reach an agreement with all unleased parties as to pooling their interest for the development and operation of the well involved herein. Simultaneously with the filing of this application, Applicant has provided notice to each of the unleased parties set forth in Exhibit B pursuant to the provisions of § 45.1-361.19 of the Virginia Code Annotated. Applicant hereby notifies the Board that where the identity or location of any person is shown as "unknown" on Exhibit B, then Applicant is unable to provide such person with written notice of the application herein. The interest of all unleased persons in the Formations underlying the drilling unit for well number VC-504659 should be pooled for the development and operation thereof.
- (d) Applicant proposes to drill at the permitted location to an approximate depth of 1,937 feet on the Subject Lands to test for oil, gas and coalbed methane in the Subject Formations, including all Pennsylvanian aged coals from the top of the Raven, including but not limited to: Jawbone, Greasy Creek, C-Seam, War Creek, Beckley, Lower Horsepen, X-Seam, Poco #9, Poco #7, Poco #6, Poco #3, and any unnamed coal seams and other associated formations known as the Nora Coalbed Gas Field. Applicant estimates the cost for a well to said depth to be \$172,998.00 for a well completed for production. Exhibit C, attached hereto and made a part hereof, is Applicant's signed Detailed Well Estimate ("DWE") which shows the estimated cost of drilling, completing and equipping said well.
- (e) The estimated production over the life of the proposed well is 300 million cubic feet. These figures concerning estimated production and the amount of reserves are, however, estimates only that are not based upon actual production and should not be relied upon for any purpose.

3. Legal Authority: The relief sought by this Application is authorized by Virginia Code Annotated § 45.1-361.21 et seq. and 4 VAC 25-160-70 et seq.

4. Relief Sought: Applicant request the Virginia Gas and Oil Board to enter an order pooling all unleased interests or estates of all persons or entities owning oil, gas and coalbed methane interests in the Formations underlying the tracts encompassed by the drilling unit supporting well number VC-504659, and (I) authorizing the drilling and operation of a well for the production of oil, gas and coalbed methane from the pooled acreage; (II) designating Applicant as the party authorized to drill and operate such well; (III) prescribing the time, manner, and other conditions under which unleased parties owning an interest in the oil, gas and coalbed methane may elect to participate in the operation of such well, or to exercise their rights of election under the applicable statutes; (IV) providing that all reasonable costs and expenses of drilling, completing, equipping, operating, plugging and abandoning such well shall be borne, and all production therefrom, shared, by all participating parties in the proportion which the acreage in the pooled tracts owned or under lease to each such participating party bears to the total acreage in such unit; and, (V) making provision for the payment of all reasonable costs of the operation, including a reasonable supervision fee, to the Applicant by all parties who elect to participate therein or who elect to be carried interest owners.

DATED this 19th day of April, 2002.

EQUITABLE PRODUCTION COMPANY


James E. Kaiser

WILHOIT & KAISER
220 Broad Street
Kingsport, Tennessee 37660
(423) 578-3838

VERIFICATION

The foregoing Application to the best of my knowledge, information and belief is true and correct.


James E. Kaiser

WILHOIT & KAISER

BEFORE THE VIRGINIA GAS AND OIL BOARD

Applicant:	Equitable Production Company)
)
)
Relief Sought:	Pooling)
)
Location:	See Exhibit "A") Docket No.
Well Number:	VC-504659) VGOB-02/05/21-1030
)
Legal)
Description:	Lambert Land LLC)
	77.05 Acre Coal, Oil & Gas Tract)
	Kenady District)
	Nora Quadrangle)
	Dickenson County, Virginia)

NOTICE OF HEARING

HEARING DATE: May 21, 2002
PLACE: Southwest Virginia Higher Education Center
ABINGDON, VIRGINIA
TIME: 9:00 a.m.

COMMONWEALTH OF VIRGINIA: To all unleased persons owning an interest in the oil, gas and coalbed methane, in and underlying the unit surrounding Well Number VC-504659 as described on Exhibit "A" to the Application, which is attached to this Notice, in Dickenson County, Virginia (hereinafter "Subject Lands") and adjacent lands, and in particular to the following persons, their known and unknown heirs, executors, administrators, devisees, trustees, assigns and successors, both immediate and remote:

See attached Exhibit B.

NOTICE IS HEREBY GIVEN that the Applicant is requesting that the Virginia Gas and Oil Board (hereinafter "Board") issue an order pooling all the rights, interests, and estates of the unleased persons pursuant to Virginia Code Ann. § 45.1-361.1 et seq. in regard to the drilling, development and production of oil, gas and coalbed methane from drilling Unit VC-504659, containing approximately 58.77 acres, located on the above-referenced tracts situated approximately 4,948 feet Southwest of the intersection of Virginia State Routes 63 and 626 on the waters of Trammel Branch, approximately 0.94 miles Southwest of Trammel, Kenady District, Nora Quadrangle, Dickenson County, Virginia. Applicant requests that the Board issue an order providing as follows:

- a. Pooling all the interests and estates of the persons named herein and their known and unknown heirs, executors, administrators, devisees, trustees, assigns and successors, both immediate and remote, for the drilling, development and production of oil, gas and coalbed methane from the subject drilling unit for the Subject Formations underlying and comprised of the Subject Lands;
- b. Establishing a procedure whereby each person named herein shall have the right to elect (1) to assign or lease his oil, gas and coalbed methane interest in the subject drilling unit to the designated operator; (2) to enter into a voluntary agreement with the designated operator to share in the operation (including the sharing in all reasonable costs of the drilling of the well and development of the unit) at a rate of payment mutually agreed to by the person making the election hereunder and the designated operator herein or (3) to share in the operation of the well as a nonparticipating operator on a carried basis after the proceeds allocable to such person's share equal the following:

In the case of a leased tract, 300 percent of the share of the costs allocable to such person's interest; or

In the case of an unleased tract, 200 percent of the share of such costs allocable to such person's interest;

- c. Providing that any person named herein who does not make a timely written election under the terms of the Order to be entered herein shall be deemed to have leased his oil and gas interest in the subject drilling unit to the operator designated herein at a rate to be established by the Board;
- d. Designating Applicant, EPC, as Operator; providing that the operator shall have the right to drill, develop, produce, market and sell oil, gas and coalbed methane produced from the subject drilling unit; granting the operator the right to market and sell oil, gas and coalbed methane produced from the subject drilling unit which is attributable to the conflicting claims and interest pooled herein; providing that the operator shall have an operator's lien on the oil, gas and coalbed methane estate and rights owned or claimed by the unleased persons named herein in the subject drilling unit; and granting the operator the right to drill at any legal or specially permitted location on the subject drilling unit;
- e. Making any necessary provision for the escrow of funds pursuant to Va. Code Ann. § 45.1-361.22;

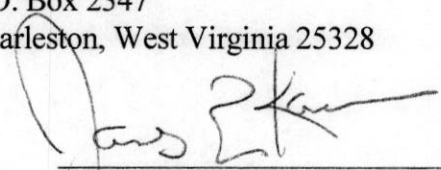
- f. Providing that the order to be entered herein shall expire two (2) years from the date of its issuance if operations for the development of the subject drilling unit have not commenced by said date; but further providing that if operations have commenced during said two year period, then said order shall remain in effect for so long as operations continue on the subject drilling unit;
- g. Providing that the conduct of operations on any tract in the subject drilling unit shall be deemed to be the conduct of operations on all tracts in the drilling unit; and providing that the production allocated to any tract in the pooled drilling unit shall be in the same proportion as the acreage of that tract bears to the total acreage in the drilling unit; and
- h. Granting such other relief as is merited by the evidence and is just and equitable, whether or not such relief has been specifically requested herein.

NOTICE IS FURTHER GIVEN that this cause has been set for hearing and the taking of evidence before the Board at 9:00 a.m. on May 21, 2002, at the Southwest Virginia Higher Education Center, Abingdon, Virginia and that notice will be published as required by the law and the rules of the Board.

NOTICE IS FURTHER GIVEN that you may attend this hearing, with or without an attorney, and offer evidence or state any comments you have. The Board rules require that any written objections you wish to file must be filed with the Board at least 10 days before the hearing. For further information, contact the Virginia Gas and Oil Board, State Gas and Oil Inspector, Department of Mines, Minerals and Energy, Division of Gas and Oil, P.O. Box 1416, Abingdon, Virginia, 24210, (540) 676-5423 or the Applicant at the address shown below.

DATED this 19th day of April, 2002.

Equitable Production Company
1710 Pennsylvania Avenue
P.O. Box 2347
Charleston, West Virginia 25328



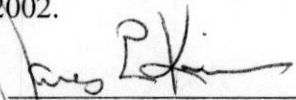
James E. Kaiser

WILHOIT & KAISER
of Counsel for
Equitable Production Company
220 Broad Street
Kingsport, Tennessee 37660
(423) 578-3838

CERTIFICATE OF SERVICE

I, James E. Kaiser, of counsel for Equitable Production Company, hereby certify that I have on this, the 19th day of April, 2002, caused the foregoing notice and application to be served upon the parties listed herein, at their address, by certified mail, return receipt requested.

Dated this 19th day of April, 2002.



James E. Kaiser
WILHOIT & KAISER

EXHIBIT A

← 1697' →

TOTAL UNIT AREA
= 58.77 ACRES

LATITUDE 37°02'30"

- DENOTES MINERAL LINE
 - - - DENOTES SURFACE LINE
 - - - DENOTES SURFACE & MINERAL LINES

NOTE !!!
SEE SUPPLEMENT SHEET FOR
TRACT INFORMATION.



LONGITUDE 82°17'30"

10470'

CCC COORDINATES
OF WELL VC-4659
S 31691.23
E 25072.07

STATE PLANE COORDINATES
OF WELL VC-4659
N 269717.67
E 891512.05

COORDINATES
OF BENCH MARK
S 77498.41
E 22826.48
ELEV. = 1754.09

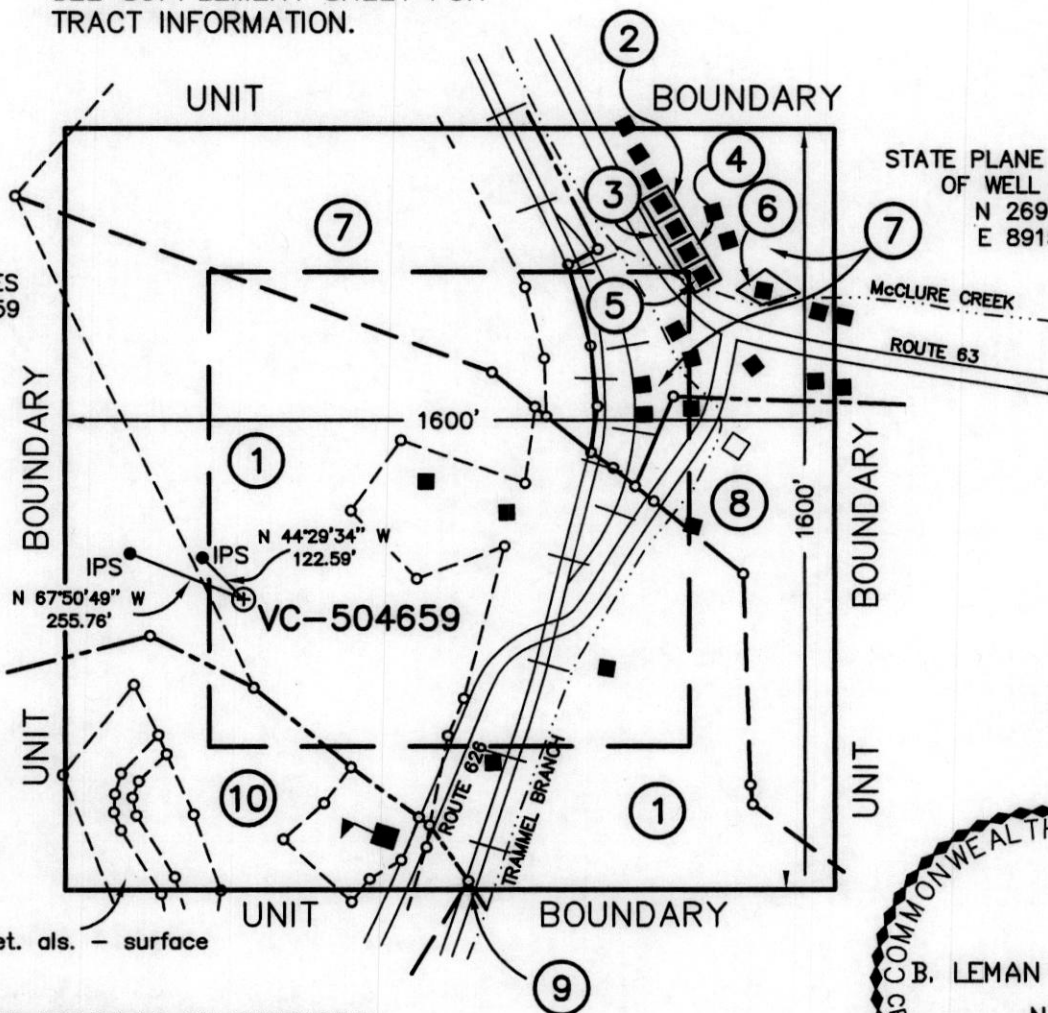
G.B. LAMBERT, et. als. - surface

NOTE !!!

WELL COORDINATES ARE BASED ON CLINCHFIELD
COAL COMPANY'S COORDINATE SYSTEM
STATE PLANE WELL COORDINATES ARE CALCULATED
FROM CLINCHFIELD COAL COMPANY COORDINATES.

PROPERTY INFORMATION PROVIDED BY EQUITABLE
PRODUCTION COMPANY.

ELEVATIONS ARE BASED ON NGS CONTROL ST. PAUL 2.



WELL LOCATION PLAT

COMPANY Equitable Production Company WELL NAME AND NUMBER VC-504659
 TRACT No. LEASE NO. 150 ELEVATION 2063.79 (GPS) QUADRANGLE NORA
 COUNTY DICKENSON DISTRICT KENADY SCALE: 1" = 400' DATE APRIL 3, 2002
 THIS PLAT IS A NEW PLAT ; AN UPDATED PLAT x; OR A FINAL LOCATION PLAT
 PROPOSED TOTAL DEPTH OF WELL =

+ DENOTES THE LOCATION OF A WELL ON UNITED STATES TOPOGRAPHIC MAPS, SCALE 1 TO 24,000, LATITUDE AND LONGITUDE LINES BEING REPRESENTED BY BORDER LINES AS SHOWN.

C.B. Lemman Kendrick 4/3/02
LICENSED PROFESSIONAL ENGINEER OR LICENSED LAND SURVEYOR

(AFFIX SEAL)

①

LEASE No. 244728
J.M. ERVIN
77.05 ACRES
LAMBERT LAND, L.L.C. - coal, oil & gas
GAS 29.85 AC. 50.79%

②

LEASE No. 241640 / T2-128
B.W. JENNINGS
79.23 ACRES
ELSIE AMBURGEY & EDWARD KISER -
surface & coal (Upper & Lower Banner only)
PINE MOUNTAIN OIL & GAS, INC. - oil & gas
LAMBERT LAND, L.L.C. - coal (remaining)
PINE MOUNTAIN OIL & GAS, INC. - oil & gas

③

LEASE No. 241640 / T2-128
B.W. JENNINGS
79.23 ACRES
HERBERT WORLEY - surface & coal
(Upper & Lower Banner only)
PINE MOUNTAIN OIL & GAS, INC. - oil & gas
LAMBERT LAND, L.L.C. - coal (remaining)
PINE MOUNTAIN OIL & GAS, INC. - oil & gas

④

LEASE No. 241640 / T2-128
B.W. JENNINGS
79.23 ACRES
RALPH & LEVONE KISER -
surface & coal (Upper & Lower Banner only)
PINE MOUNTAIN OIL & GAS, INC. - oil & gas
LAMBERT LAND, L.L.C. - coal (remaining)
PINE MOUNTAIN OIL & GAS, INC. - oil & gas

⑤

LEASE No. 241640 / T2-128
B.W. JENNINGS
79.23 ACRES
HOBART LEE & OCIE HAMMONS -
surface & coal (Upper & Lower Banner only)
PINE MOUNTAIN OIL & GAS, INC. - oil & gas
LAMBERT LAND, L.L.C. - coal (remaining)
PINE MOUNTAIN OIL & GAS, INC. - oil & gas

⑥

LEASE No. 241640 / T2-128
B.W. JENNINGS
79.23 ACRES
BRENDA LEFTWICH -
surface & coal (Upper & Lower Banner only)
PINE MOUNTAIN OIL & GAS, INC. - oil & gas
LAMBERT LAND, L.L.C. - coal (remaining)
PINE MOUNTAIN OIL & GAS, INC. - oil & gas

⑦

LEASE No. 241640 / T2-128
B.W. JENNINGS
79.23 ACRES
CLINCHFIELD COAL COMPANY/
PYXIS RESOURCES COMPANY - coal (Upper &
Lower Banner only)
LAMBERT LAND, L.L.C. - coal (remaining)
PINE MOUNTAIN OIL & GAS, INC. - oil & gas
GAS 16.92 AC. 28.79%

⑧

LEASE No. 241490 / T-11
PIONEER COAL CORP.
361.00 ACRES
CLINCHFIELD COAL COMPANY/
PYXIS RESOURCES COMPANY - coal
PINE MOUNTAIN OIL & GAS, INC. -
oil & gas
GAS 5.10 AC. 8.68%

⑨

LEASE No. 245424
N.K. RASNICK HEIRS
27.75 ACRES
N.K. RASNICK HEIRS - oil & gas
LAMBERT LAND L.L.C. - coal
GAS 0.01 AC. 0.02%

⑩

LEASE No. 244728
90.00 ACRES
LAMBERT LAND L.L.C. - coal
(below Lower Banner)
CLINCHFIELD COAL COMPANY/
PYXIS RESOURCES COMPANY - coal
(Lower Banner & above)
CHARLES W. GRIZZLE HEIRS - oil & gas
GAS 6.89 AC. 11.72%

KENDRICK
ENGINEERING & SURVEYING Co.
40 MAIN STREET
CLINTWOOD, VIRGINIA
24228
(540) 926-6087 (540) 926-4172

EQUITABLE PRODUCTION COMPANY
WELL No. VC-504659
WELL PLAT SUPPLEMENT
SHEET 2

DRAWING NAME:
1603PLAT.DWG
SCALE:
1" = 400'
PROJECT No.:
1603PLAT.DWG
DATE:
APRIL 3, 2002

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
	<u>Gas Estate Only</u>			
1	Lambert Land LLC PO Box 490 Nora, VA 24272	Leased-EPC 244728L	50.79000000%	29.8500
2 - 7	Pittston Company c/o Pine Mountain Oil & Gas, Inc. Attn: Richard Brillhart PO Box 5100 Lebanon VA 24226	Leased-EPC 241640L T2-128	28.79000000%	16.9200
8	Pittston Company c/o Pine Mountain Oil & Gas, Inc. Attn: Richard Brillhart PO Box 5100 Lebanon VA 24226	Leased-EPC 241490L T-11	8.68000000%	5.1000
9	N. K. RASNICK HEIRS	Collectively	0.02000000%	0.0100
	Mary R. Phillips Heirs			
	Clayton Phillips Heirs			
	Helen Bailey & Carl Bailey, W/H Address Unknown	Unleased		
	Pearl Phillips Martin Heirs			
	June Humphrey, Widow Address Unknown	Unleased		
	Vivian Rasnick & Dennis Rasnick, W/H Address Unknown	Unleased		
	Lester Martin Heirs Address Unknown	Unleased		
	Darrell Martin Heirs Address Unknown	Unleased		
	Sid Rasnick, Widow Address Unknown	Unleased		

EXHIBIT "B"

VC-504659

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
	Ralph Martin Heirs Address Unknown	Unleased		
	Lou Martin Heirs			
	Donald Martin & Betty Martin, H/W Route 1 Box 643 Dante, VA 24237	Unleased		
	Billie Martin Smith, Widow Address Unknown	Unleased Life Estate		
	Janet Benton & Eddie Benton, W/H Address Unknown	Unleased Remainderman		
	Mike Smith & Brenda Smith, H/W Address Unknown	Unleased Remainderman		
	Jeannie Hubbard & Jackie Hubbard, W/H Address Unknown	Unleased Remainderman		
	Harold Rasnick Heirs Address Unknown	Unleased		
	L. K. Rasnick & Amelia Rasnick Heirs			
	Bazil Rasnick & Mae Rasnick, H/W Route 1 Box 740 Dante, VA 24237	Leased-EREC 245424L01		
	Lydia Rasnick Sutherland & J. C. Sutherland Heirs			
	Agnes Gilliam, Widow P. O. Box 296 Clintwood, VA 24228	Leased-EREC 245424L03		
	Margaret Porter, Widow P. O. Box 296 Clintwood, VA 24228	Leased-EREC 245424L02		

EXHIBIT "B"
VC-504659

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
	Reed Sutherland Heirs			
	Floyd Jesse Sutherland & Noelle Sutherland, H/W P. O. Box 2434 Abingdon, VA 24210	Unleased		
	William Reed Sutherland & Ann Dale Sutherland, H/W P. O. Box 245 Surry, VA 23883	Unleased		
	Stewart Sutherland & Jennie Sutherland, H/W Route 1 Box 405 Wytheville, VA 24382	Unleased		
	Patricia Cox Heirs			
	Hagen Cox, Widower 2700 Blithe Drive Chester, VA 23831	Unleased Life Estate		
	Mary Ann Roach & Jeff Roach, W/H 2217 Hunter's Glen Wichita Fall, TX 76306	Unleased Remainderman		
	Lee Ann Murray & Woodie Murray, W/H 4416 Walkers Landing Drive Petersburgh, VA 23803	Unleased Remainderman		
	Gaines Reed Cox 507 Brookhaven Court Jefferson City, TN 37760	Unleased Remainderman		
	Berry Cox, Single 2217 Hunter's Glen Wichita Falls, TX 76306	Unleased Remainderman		
	R. W. Rasnick Heirs Address Unknown	Unleased		
	Tilden Rasnick Heirs Address Unknown	Unleased		

EXHIBIT "B"
VC-504659

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
10	Charles W. Grizzle, et al Unknown	Unleased	11.72000000%	6.8900
TOTAL GAS ESTATE			100.00000000%	58.7700
Percentage of Unit Leased			88.26000000%	
Percentage of Unit Unleased			11.74000000%	
Acreage in Unit Leased				51.8700
Acreage in Unit Unleased				6.9000

EXHIBIT "B"
VC-504659

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
<u>COAL ESTATE ONLY</u>				
1	Lambert Land LLC PO Box 490 Nora, VA 24272	Leased-EPC 244728L	50.79000000%	29.8500
2 - 7	Lambert Land LLC PO Box 490 Nora, VA 24272	Leased-EPC 244728L	28.79000000%	16.9200
8	Pittston Company c/o Pine Mountain Oil & Gas, Inc. Attn: Richard Brillhart PO Box 5100 Lebanon VA 24226	Leased-EPC 241490L T-11	8.68000000%	5.1000
9	Lambert Land LLC PO Box 490 Nora, VA 24272	Leased-EPC 244728L	0.02000000%	0.0100
10	Lambert Land LLC PO Box 490 Nora, VA 24272	Leased-EPC 244728L	<u>11.72000000%</u>	<u>6.8900</u>
TOTAL COAL ESTATE			100.00000000%	58.7700
Percentage of Unit Leased			100.00000000%	
Percentage of Unit Unleased			0.00000000%	
Acreage in Unit Leased				58.7700
Acreage in Unit Unleased				0.0000

EXHIBIT C

Complete
Logging Company
Wellhead compression YES/NO? NO

A

2002 Costs are inputted

Wellhead compression YES/NO?				EQUITABLE PRODUCTION COMPANY AUTHORIZATION FOR EXPENDITURE DRILLING PROJECT		Cost Center # 217		504659		00		
AFE DATE: 5-Apr-02				DLM		AFE# 217		504659		1A		
County District		Dickenson BSG		State Nora		VA Vertical well						
Well: VC 504659				OPERATIONAL APPROVAL:								
Zones Completed: 2002 Coals				<i>Michael Pflauroski 4-16-02</i>								
Project Start Date: 2002												
Contractor: Gasco												
Total Depth: 1937												
Rate - \$/Ft: \$13.90												
Amount Pipeline: 3" 1500 4" 0												
CORPORATE AFE Code		INTANGIBLES				ESTIMATED COSTS			TOTAL		SUBSIDIARY W# 1	
						DRY HOLE			COMPLETION		COMPLETED WELL	
											NET TOTAL COST	
180020		ASSIGNMENTS										
180010		CONTRACT FOOTAGE				\$26,924			\$26,924		\$26,924	
180011		TURNKEY CONTRACTOR PRICING				\$0			\$0		\$0	
180015		DAYWORK				\$1,000			\$1,000		\$1,000	
180030		CONTRACTOR SETUP				\$0			\$0		\$0	
180049		LEGAL SERVICES, TITLE CURATIVE, ABSTRACTS, PRE-DRILLING LITIGATION				\$1,450			\$1,450		\$1,450	
180061		GPS, SURVEY, WELL PLAT, PERMITS, BONDS				\$5,150			\$5,150		\$5,150	
180075		DIRECTIONAL SERVICE AND TOOLS/ DIRECTIONAL SURVEYS, SIDETRACKING				\$0			\$0		\$0	
180092		LOCATION PREPARATION, TREE CUTTING, FORESTER, TREE APPRAISALS				\$200			\$200		\$200	
180093		LOCATION PIT LINERS				\$1,000			\$1,000		\$1,000	
180094		LOCATION CONSTRUCTION, DOZER WORK, EXCAVATION & BLASTING				\$6,000			\$6,000		\$6,000	
180096		ROCKING, CULVERTS & STONE LOCATION CONSTRUCTION,				\$2,000			\$2,000		\$2,000	
180111		PIT TREATMENT/RESTORATION/GATES				\$4,000			\$4,000		\$4,000	
180130		DRILLING MUD & CHEMICALS				\$0			\$0		\$0	
180141		BITS, REAMERS, STABILIZERS, HAMMERS				\$0			\$0		\$0	
180170		DRILLING WATER				\$1,000			\$1,000		\$1,000	
180180		OPEN HOLE LOGGING				\$3,650			\$3,650		\$3,650	
180201		SPECIAL LOGGING, SCIENCE, MUD LOG, CORING & CORE ANALYSIS				\$0			\$0		\$0	
180222		WELL TESTING, DST & PRODUCTION TESTING				\$0			\$0		\$0	
180229		CEMENTING - CONDUCTOR / COAL STRING				\$0			\$0		\$0	
180231		CEMENTING - SURFACE CASING (INCL FLOAT EQUIP)				\$6,000			\$6,000		\$6,000	
180241		CEMENTING - INTERMEDIATE CASING (INCL FLOAT EQUIP)				\$0			\$0		\$0	
180251		WELL KILLING, MISC. PUMPING, MISC CEMENTING-DRILLING OPERATIONS				\$0			\$0		\$0	
180281		SPECIAL DRILLING TOOLS, RENTAL & SERVICES, POWER TONGS				\$0			\$0		\$0	
180299		TRANSPORTATION/TRUCKING COSTS (CASINGS & MATERIALS)-DRILLING				\$600			\$600		\$600	
180310		FISHING EXPENSES				\$0			\$0		\$0	
180333		P & A COSTS INCLUDING RIG TIME, MISC COSTS AND CEMENT				\$0			\$0		\$0	
180341		SURFACE DAMAGES, LOCATION AND PIPELINE				\$9,700			\$9,700		\$9,700	
180699		GEOLOGY SUPERVISION, ETC.				\$0			\$0		\$0	
180720		OPERATOR OVERHEAD				\$4,000			\$4,000		\$4,000	
180731		CONSULTING SERVICES RIG SUPERVISION				\$0			\$0		\$0	
180751		CONTINGENCY, OTHER, MISCELLANEOUS DRILLING OPERATIONS				\$500			\$500		\$500	
180733		LAND CONTRACTOR COSTS				\$2,500			\$2,500		\$2,500	
IDC - COMPLETION												
181011		DAYWORK COMPLETION OPERATIONS							\$0		\$0	
181021		SERVICE RIG / COILED TUBING & ASSOCIATED COSTS/PER DIEM							\$2,500		\$2,500	
181071		PERFORATING, Cased Hole Logs							\$2,300		\$2,300	
181101		CEMENTING - PROD. CASING (FLOAT EQUIP & BAFFLE)							\$8,500		\$8,500	
181122		SERVICE COMPANY, NITROGEN, ACID, FRAC SERVICES							\$24,750		\$24,750	
181131		SQUEEZE, MISC. CEMENTING & PUMPING COMPLETION OPERATIONS							\$0		\$0	
181141		TANKS/PITS/DOZER-COMPLETION OPERATIONS							\$4,000		\$4,000	
181151		PIPELINE CONSTRUCTION & RECLAMATION							\$7,130		\$7,130	
181161		WATER HAULING IN-COMPLETION OPERATIONS							\$1,000		\$1,000	
181202		WELLHEAD TIE IN, LABOR, ETC.							\$3,000		\$3,000	
181215		DRILLING/FRAC FLUID DISPOSAL							\$1,000		\$1,000	
181220		RIGHT OF WAY PIPELINE							\$200		\$200	
181251		TRANSPORTATION/TRUCKING (CASINGS & MATERIALS) COMPLETION							\$1,600		\$1,600	
181270		ENVIRONMENTAL COSTS							\$0		\$0	
181701		CONSULTING SERVICES FRAC/COMPLETION SUPERVISION							\$0		\$0	
181702		CONSULTING SERVICES PIPELINE SUPERVISION							\$0		\$0	
181751		CONTINGENCY OTHER, MISCELLANEOUS COMPLETION OPERATIONS							\$0		\$0	
183910		SALARIES AND WAGES - ALLOCATED							\$500		\$500	
183920		OTHER EMPLOYEE COMPENSATION - ALLOCATED							\$0		\$0	
183930		PAYROLL TAXES - ALLOCATED							\$50		\$50	
183940		WORKMENS COMPENSATION - ALLOCATED							\$0		\$0	
183950		EMPLOYEE BENEFITS - ALLOCATED							\$100		\$100	
181001		PER DIEM EXPENSES							\$100		\$100	
181100		TRAVEL EXPENSES							\$0		\$0	
181200		PERSONAL AUTO MILEAGE REIMB.							\$0		\$0	
181900		OTHER ALLOCATED							\$0		\$0	
		TOTAL INTANGIBLES:				\$76,424			\$55,980		\$132,404	
TANGIBLES												
182022		CASING: CONDUCTOR & DRIVE PIPE				\$369			\$369		\$369	
182030		SURFACE CASING				\$1,410			\$1,410		\$1,410	
182040		INTERMEDIATE CASING				\$0			\$0		\$0	
182016		PRODUCTION CASING: USED							\$0		\$0	
182019		PRODUCTION CASING: NEW							\$4,978		\$4,978	
182036		NEW TUBING							\$3,057		\$3,057	
182039		USED TUBING							\$0		\$0	
182051		CASING HEAD, TUBINGHEAD, WELLHEAD EQUIPMENT AND CHRISTMAS TREE							\$750		\$750	
182055		VALVES & FITTINGS							\$1,500		\$1,500	
182060		GATHERING LINES							\$3,080		\$3,080	
182061		PIPELINE FITTINGS & TIE IN FITTINGS, C P EQUIPMENT, TAPE, ANODES							\$1,000		\$1,000	
182078		USED MEASUREMENT VALVES & FITTINGS, INCLUDING METER & POSS DRIP							\$0		\$0	
182079		MEASUREMENT VALVES & FITTINGS, INCLUDING METER & POSS DRIP							\$2,000		\$2,000	
182096		USED SEPARATOR, SEPARATOR PAD & HOOK-UP FITTINGS							\$0		\$0	
182099		NEW SEPARATOR, SEPARATOR PAD & HOOK-UP FITTINGS							\$1,600		\$1,600	
182110		DRIPS							\$300		\$300	
182120		HEATER TREATERS							\$0		\$0	
182131		TANK & TANK HCP FITTINGS, TANK BATTERY							\$5,000		\$5,000	
182151		ARTIFICIAL LIFT SURFACE VALVES, PUMPING UNIT, MOTOR, OTHER							\$12,500		\$12,500	
182161		SUCKER RODS & DOWNHOLE PUMP							\$2,550		\$2,550	
182181		CONTINGENCIES, OTHER							\$500		\$500	
		TOTAL TANGIBLES:				\$1,779			\$38,815		\$40,594	
		TOTAL AFE:				\$78,203			\$94,795		\$172,998	
		COST PER FOOT									\$89.31	

WILHOIT & KAISER

Attorneys at Law

ANTHONY A. WILHOIT
JAMES E. KAISER
K. JEFF LUETHKE

May 13, 2002

Diane Davis
Virginia Gas and Oil Board
Department of Mines, Minerals & Energy
P.O. Box 1416
Abingdon, VA 24210

Re: Well Nos. VC-504659, 24727

Dear Diane:

Enclosed please find the Affidavit of Mailing, Affidavit of Publication and a copy of our Proof of Notice listing the date of respondents' receipt of Notice of Hearing for the well in the above referenced matter. Please file accordingly.

Should you have any questions, do not hesitate to call.

Sincerely yours,

WILHOIT & KAISER


James E. Kaiser

JEK/as

West Virginia Office:

230 Capitol Street
P. O. Box 1389
Charleston, West Virginia 25325
304-346-5291
304-346-6849 fax

Tennessee Office:

220 Broad Street
P. O. Box 726
Kingsport, Tennessee 37660
423-578-3838
423-578-3833 fax



BEFORE THE VIRGINIA GAS AND OIL BOARD

Applicant: Equitable Production Company)
)
)
Relief Sought: Well No. VC-504659)
Force Pooling)
) Docket No.
) VGOB-02/05/21-1030

AFFIDAVIT OF MAILING
(CERTIFICATE OF SERVICE)

STATE OF TENNESSEE)
)
COUNTY OF SULLIVAN)

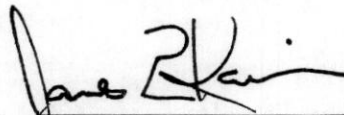
James E. Kaiser, of lawful age, being duly sworn, upon oath, deposes and says:

(1) He is a partner with WILHOIT & KAISER, Agent for Equitable Production Company ("EPC") and makes this affidavit on behalf of EPC.

(2) Based upon information and belief, the names and last-known addresses, where such addresses are known, of the parties owning an interest in the oil and gas in this cause are set forth and attached hereto.

(3) On the 19th day of April, 2002, true and correct copies of the Application and the Notice of Hearing in this matter were placed in the United States mail in Kingsport, TN, certified mail, return receipt requested, postage prepaid, duly addressed to the unleased parties at their respective addresses as set forth in the attached Exhibit B which is hereby made a part of this Affidavit.

(4) Notice of this cause has therefore been served by mail pursuant to the applicable statutes and rules of the Board.


James E. Kaiser

SUBSCRIBED AND SWORN TO before me this 13th day of May, 2002.


Notary Public

My commission expires: August 18, 2003



02 1529
EQT

AFFIDAVIT OF PUBLICATION

State of Virginia
City of Bristol

Wilhoit & Kaiser
Equitable Production Co. Well #VC-504659
Legal Notice

I, Kim Snidow, do solemnly swear that I am the Customer Service Manager of the Bristol Herald Courier, printed and published at Bristol, in the Commonwealth of Virginia, and that from my own personal knowledge and reference to the files of said publication the advertisement of legal notice was inserted in the space of 92 lines (lines/inches) on date(s) as follows: April 24, 2002.

Kim Snidow

Subscribed and sworn to before me this 30th day of April 2002

Mrs. D. Gatliff
Notary Public

(SEAL)

April 30, 2004
My Commission Expires



EXHIBIT "B"
VC-504659

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
<u>Gas Estate Only</u>				
1	Lambert Land LLC PO Box 490 Nora, VA 24272	Leased-EPC 244728L	50.79000000%	29.8500
2 - 7	Pittston Company c/o Pine Mountain Oil & Gas, Inc. Attn: Richard Brillhart PO Box 5100 Lebanon VA 24226	Leased-EPC 241640L T2-128	28.79000000%	16.9200
8	Pittston Company c/o Pine Mountain Oil & Gas, Inc. Attn: Richard Brillhart PO Box 5100 Lebanon VA 24226	Leased-EPC 241490L T-11	8.68000000%	5.1000
9	N. K. RASNICK HEIRS	Collectively	0.02000000%	0.0100
	Mary R. Phillips Heirs			
	Clayton Phillips Heirs			
	Helen Bailey & Carl Bailey, W/H Address Unknown	Unleased		
	Pearl Phillips Martin Heirs			
	June Humphrey, Widow Address Unknown	Unleased		
	Vivian Rasnick & Dennis Rasnick, W/H Address Unknown	Unleased		
	Lester Martin Heirs Address Unknown	Unleased		
	Darrell Martin Heirs Address Unknown	Unleased		
	Sid Rasnick, Widow Address Unknown	Unleased		

EXHIBIT "B"

VC-504659

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
	Ralph Martin Heirs Address Unknown	Unleased		
	Lou Martin Heirs			
	Donald Martin & Betty Martin, H/W Route 1 Box 643 Dante, VA 24237	Unleased		
	Billie Martin Smith, Widow Address Unknown	Unleased Life Estate		
	Janet Benton & Eddie Benton, W/H Address Unknown	Unleased Remainderman		
	Mike Smith & Brenda Smith, H/W Address Unknown	Unleased Remainderman		
	Jeannie Hubbard & Jackie Hubbard, W/H Address Unknown	Unleased Remainderman		
	Harold Rasnick Heirs Address Unknown	Unleased		
	L. K. Rasnick & Amelia Rasnick Heirs			
	Bazil Rasnick & Mae Rasnick, H/W Route 1 Box 740 Dante, VA 24237	Leased-EREC 245424L01		
	Lydia Rasnick Sutherland & J. C. Sutherland Heirs			
	Agnes Gilliam, Widow P. O. Box 296 Clintwood, VA 24228	Leased-EREC 245424L03		
	Margaret Porter, Widow P. O. Box 296 Clintwood, VA 24228	Leased-EREC 245424L02		

EXHIBIT "B"

VC-504659

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
	Reed Sutherland Heirs			
	Floyd Jesse Sutherland & Noelle Sutherland, H/W P. O. Box 2434 Abingdon, VA 24210	Unleased	7000 0520 0016 4484 1019 4/20/02	
	William Reed Sutherland & Ann Dale Sutherland, H/W P. O. Box 245 Surry, VA 23883	Unleased	7000 0520 0016 4484 1002 4/23/02	
	Stewart Sutherland & Jennie Sutherland, H/W Route 1 Box 405 Wytheville, VA 24382	Unleased	7000 0520 0016 4484 0999 4/23/02	
	Patricia Cox Heirs			
	Hagen Cox, Widower 2700 Blithe Drive Chester, VA 23831	Unleased Life Estate	7000 0520 0016 4484 0982 4/29/02	
	Mary Ann Roach & Jeff Roach, W/H 2217 Hunter's Glen Wichita Fall, TX 76306	Unleased Remainderman	7000 0520 0016 4484 0975 Attempted, not known - Returned	
	Lee Ann Murray & Woodie Murray, W/H 4416 Walkers Landing Drive Petersburgh, VA 23803	Unleased Remainderman	7000 0520 0016 4484 0968 Address Unknown - Returned	
	Gaines Reed Cox 507 Brookhaven Court Jefferson City, TN 37760	Unleased Remainderman	7000 0520 0016 4484 0951 Attempted, not known - Returned	
	Berry Cox, Single 2217 Hunter's Glen Wichita Falls, TX 76306	Unleased Remainderman	7000 0520 0016 4484 0944 Unclaimed - Returned	
	R. W. Rasnick Heirs Address Unknown	Unleased		
	Tilden Rasnick Heirs Address Unknown	Unleased		

EXHIBIT "B"
VC-504659

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
10	Charles W. Grizzle, et al Unknown	Unleased	11.72000000%	6.8900
TOTAL GAS ESTATE			100.00000000%	58.7700
Percentage of Unit Leased			88.26000000%	
Percentage of Unit Unleased			11.74000000%	
-				
Acreage in Unit Leased				51.8700
Acreage in Unit Unleased				6.9000

EXHIBIT "B"
VC-504659

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
<u>COAL ESTATE ONLY</u>				
1	Lambert Land LLC PO Box 490 Nora, VA 24272	Leased-EPC 244728L	50.79000000%	29.8500
2 - 7	Lambert Land LLC PO Box 490 Nora, VA 24272	Leased-EPC 244728L	28.79000000%	16.9200
8	Pittston Company c/o Pine Mountain Oil & Gas, Inc. Attn: Richard Brillhart PO Box 5100 Lebanon VA 24226	Leased-EPC 241490L T-11	8.68000000%	5.1000
9	Lambert Land LLC PO Box 490 Nora, VA 24272	Leased-EPC 244728L	0.02000000%	0.0100
10	Lambert Land LLC PO Box 490 Nora, VA 24272	Leased-EPC 244728L	<u>11.72000000%</u>	<u>6.8900</u>
TOTAL COAL ESTATE			100.00000000%	58.7700
Percentage of Unit Leased			100.00000000%	
Percentage of Unit Unleased			0.00000000%	
Acreage in Unit Leased				58.7700
Acreage in Unit Unleased				0.0000

STATE OF VIRGINIA
COUNTY OF RUSSELL

AFFIDAVIT OF RECORD CERTIFICATION

Before me, the undersigned authority, personally appeared David E. Asbury Jr.
who, being by me duly sworn, deposed as follows:

My name is David E. Asbury Jr.

I am employed at the Department of Mines, Minerals and Energy as
Director, Division of Gas and Oil.

I am of sound mind, capable of making this affidavit,
and personally acquainted with the facts herein stated:

I am the custodian of the records of the Virginia Department of Mines, Minerals and Energy by virtue of my employment. Attached hereto are 56 pages of records from the archives of the Department of Mines, Minerals and Energy. These pages of records are kept in Big Stone Gap, Wise County, Virginia by the Department of Mines, Minerals and Energy in the regular course of business, and it was the regular course of business of the Department of Mines, Minerals and Energy for an employee or representative of the agency with knowledge of the act, event, condition, or opinion recorded to make the record or to transmit information thereof to be included in such record; and the record was made at or near the time of the act, event, condition, or opinion. The records attached hereto are the original or exact, true and correct duplicates of the original.

David E. Asbury Jr.
Affiant

In witness whereof I have hereunto subscribed my name and
affixed my official seal this 28th day of June, 2010.

Sharon H. Hagy
Notary Public

My Commission Expires: 1/31/2013

